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*** Highlights of MDF Congress Position Paper**

93CH0363A Budapest MAGYAR HIRLAP in
Hungarian 26 Jan 93 p 8

["Documentation of the MDF's Sixth Congress"]

[Text] *Other things besides personnel changes in the party's leadership happened at the MDF's [Hungarian Democratic Forum] sixth congress, even though personnel changes created the greatest excitement and attracted the greatest public attention. The sixth congress also revised the party's bylaws, and 10 specialized sections declared their expectations of things to be done by the government prior to the elections, in the remaining year and a half. Some of these wishes were also expressed in documents issued by last year's congress. According to the unanimously adopted political positions, the MDF has proven its capability in the form of deeds, and not only by voicing watchwords. Our presentation includes excerpts we regard as most important.*

Establishing a National Security Council

Foreign Policy, National Defense, and Minority Protection Section: (...) "The fact that the number of Hungary's neighbors has increased from five to seven, that out of the seven, five are new states, and that Hungary is no longer the smallest state in the region (...) is an important geopolitical development. The partitioning of our northern neighbor and the establishment of an independent Slovakia has placed problems, which have a disturbing effect on us, in a new context. We have given a clear indication of, and we continue to maintain, our intent to reach a settlement, and we are prepared to support Slovakia's integration with Europe. In order to do so, however, it is necessary for the Slovak partner to be prepared to reach a settlement regarding the Bos [Gabcikovo] hydroelectric plant, and to fulfill the just endeavors of the Hungarian minority. Regarding our relations with Romania, more phenomena are disturbing than encouraging. In this regard, too, we encourage the development of relations in every field, ranging from economic relations, through strengthening cooperation at the borders, all the way to improving diplomatic relations. On the other hand, it would be inconceivable to us if bilateral relations were to be improved by neglecting, or, perhaps, to the detriment of the interests of Hungarians in Transylvania or outside of Transylvania. We cannot perceive a balanced relationship with any of our neighbors without satisfactorily settling the situation of the Hungarian national minority residing there.

"Extremist manifestations occur in Hungary only on a sporadic basis; at the same time endeavors can be detected to provoke such phenomena and to deteriorate the image of Hungary. Deliberate or unintended irresponsible statements by certain Hungarian politicians support such endeavors. (...)

"In order to discontinue our historical failure to act, we must initiate a global information system conveying our national interests, our past, and our present in a credible fashion. (...)

"Responsibility for national security functions is presently divided among several ministries. At the same time, the importance of national security demands the establishment of a regular and institutional relationship between the various decisionmaking bodies. We therefore recommend the establishment of a national security council under the prime minister's direct authority; this organization could perform political analyses, evaluations, and planning, in addition to coordinating work. (...)

"In Hungary in particular, one can see how the enforcement of interests abroad and the development of a favorable image of the country are impeded by the passivity of the masses whose faith has been shaken by the economic difficulties of the transition period, the shortcomings of those who speak for the masses, the functional disturbances of public communications and the press, and the conduct of the opposition which has difficulty in learning how to play a constructive role that is customary in parliamentary democracies."

We Must Establish Effective Controls Over State Finances

Local Government and Public Security Section: "Consistent with the MDF's election program, Hungarian settlements—primarily the villages and small towns—have developed more forcefully during the two and a half years of our governance than in the past decades. The system of local governments is legally and financially stable. Local governments have received a significant volume of assets, and the extent of state support far exceeds the amounts provided earlier to the councils. A realistic accounting of their assets is missing, however. For this reason, local MDF representatives must regard an accounting for, and the protection of local government assets as a strategic priority issue. In addition, an effective state financial control system must be established in order to protect public property, and to ensure the legitimate use of public property. (...) Directly elected—therefore responsible—county governments with real, area-wide authority to exercise power must operate along with a simultaneous, strong state presence. In Budapest, the legal framework for efficient cooperation between local governments and the Budapest general assembly must be established. (...) The trained, professional body of public officials must be respected, and must not be exposed to the negative effects of political changes. (...) Financial, technical, organizational, and legal conditions for the more efficient functioning of the police must be established in order to improve public security and the citizenry's sense of security. We support the government program calling for a substantial increase in the number of police precincts. (...) We envision cooperation between the police and local governments on a contractual basis. (...) Police

involvement in economic crimes must be reinforced, with the involvement of the customs and revenue police and the internal revenue authority. (...) We must augment the police authority of the border guards in order to protect our state borders, and we must establish operating conditions for quick response border guard companies."

An Investigative Committee Must Be Established in Parliament

Social Policy and Administration of Justice Section: "Revealing the history of the past decades, clarifying responsibility, and reporting all this to society are functions to be performed quickly and in a clear-cut manner. The following actions must be taken to attain these goals efficiently and as soon as possible:

"1. The events of the past period must be revealed and publicized in full detail.

"2. The personal responsibility of the leaders of that era must be determined. To accomplish this, an investigative committee must be established and operated in parliament, supported by research performed by historians, and by archivists and attorneys employed by the central state administration.

"3. Legislation must be introduced and debated concerning the maintenance of records containing the personal data of the professional and top secret officers, and network personnel of the Ministry of the Interior Group III/III Command, and concerning the utilization of data pertaining to the officers of the former state security organs and enforcement units.

"4. Those who committed grave crimes in the past and were not prosecuted must be presented in court. We must punish criminals who committed war crimes particularly in conjunction with the 1956 revolution and fight for freedom, without isolating the events of 1956 from the events of five decades of dictatorship.

"5. We must not misjudge the proportions of crimes by condemning only the crimes of the past system, while failing to perform the necessary and justified reckoning with the economic criminals of the transition era.

"We must do everything possible to adopt the new law on prosecutors as soon as possible. This law would subordinate prosecutors' offices to the government, and would authorize the government to direct the prosecutors' offices to conduct investigations, and to mandate the completion of investigations if substantial grounds exist to believe that a crime has been committed.

"We must not permit situations in which our efforts to do justice are falsely interpreted by our opponents, thereby creating an unnecessary sense of being threatened in a significant part of society. To avoid such situations, we must act quickly and accurately to perform the functions of justice administration, and we must complete the related legislative work as soon as possible."

More Streamlined Cooperation Among the Economic Ministers

Financial and Economic Policy Section: "Privatization must be accelerated and the transparency of, and effective control over, privatization must be increased. Increased economic efficiency and the structural transformation of the economy are the goals of privatization. The methods used in privatization must stimulate the development of an ownership stratum in Hungary. We must see to it that investments in Hungary become attractive to significant investors. The privatization of local government assets is indispensable. Uniform basic principles dealing with the recording, management, and privatization of local government assets must be established in the future.

"We want to see more streamlined cooperation between the economic ministers for the sake of an effective economic policy.

"Financial and taxpayer discipline must be strengthened. Steps must be taken to establish the still missing legal framework (modernizing the Criminal Code of Laws, the revenue system, sanctions). (...) Housing policies must be viewed from three aspects:

"—housing units owned by residents—'rental housing properties'—social welfare housing provisions.

"The program must be developed correspondingly, clarifying the definitive roles to be played by the state, the market and local governments. A mortgage system and a financial model must be developed." (...)

Provisions Must Be Made To Prohibit Foreigners From Acquiring Arable Land

Agricultural, Compensation, and Cooperative Policy Section: "A new land law must be enacted for the uniform implementation of the compensation law and the law on cooperatives regarding the already begun acquisition of landed property. The law should contain the following:

"a. provisions limiting the maximum size of property,

"b. provisions to prohibit foreigners from becoming owners of arable land,

"c. restrictive rules concerning the use or lease of arable land owned. (...)

"In order to enable the functioning of small entrepreneurial ventures which acquired property based on compensation or as a result of transforming cooperatives, we must establish legal, institutional, and financial conditions for a functioning credit system.

"The section believes that Law No. 1 of 1992 (law on cooperatives) must be revised. The amendments must provide an opportunity to members and holders of business shares wanting to leave the cooperatives to dispose of their assets during a certain period in 1993. An opportunity must be given to employees affected by

accelerated dismissals since the effective date of the transitional law, to withdraw their business shares."

The Creation of a National Housing Concept Must Not Be Delayed Further

Social Policy Section: (...) "Everyone must face the grave crisis: Although more slowly than before, the unemployment rate continues to increase, and we can count on a modest decline in the unemployment rate in 1994, at the earliest. (...) We attach particular significance to the need to initiate significant infrastructural investments as a result of interference by the state, and to establish financial conditions for accelerated housing construction. By continuously maintaining the law on employment, we must make an increased effort to eliminate anomalies which cannot be reconciled with the sense of justice harbored by society. We must establish legal controls over persons receiving unemployment compensation in order to find those who perform unreported work, and who abuse solidarity manifested by society. The control function must be assigned primarily to labor affairs organizations. The need for the increased application of community public service work performance to activate the temporarily unemployed segment of society has been discussed. (...)

"Transformation of the social security system is headed in the appropriate direction, but it is progressing slowly. (...) New crisis management programs must be initiated for those experiencing extremely difficult social conditions, with particular attention to resolving the problems of those who owe dues. (...)

"The creation of a national housing concept cannot be delayed further. (...) Calculations must be made within the shortest possible time, and the possibility of establishing a taxation system friendly to families must be examined."

The Legality of the Assets of the Existing Press Structure Must Be Reviewed

Section on Culture, the Arts, and Information Policy: "Strong financial support for culture and the arts must be made one of the most important priorities of the 1994 budget. (...) Legislation must be introduced to protect the Hungarian language. This law must be enacted by the 150th anniversary of the date when the Hungarian language became the official language. (...) A real Hungarian Television and a real Hungarian Radio must be established, whose tenor and program is characterized by real nonpartisanship and mandatory public service. For this reason, we joyfully welcome the changes that have taken place in the mass information media, and support the firm steps taken by the government. In these respects we regard any kind of retreat as impermissible. We take this opportunity to thank everyone in these two institutions who preserved their integrity under the terrorist leadership, and who pursued their own ways to resist the terrible psychological pressure that mandated the continuous violation of the freedom of the press. As a lesson to be learned from the above, and in order to provide

equal opportunity, it is necessary for the state to subsidize the establishment of an alternative press committed to national goals, and of independent organizations of the press. A balanced press in Hungary can be established only by having a competition-neutral basic situation. All this must be accomplished without violating the precepts of a free press, of course. At the same time, journalists and associates of journalists who have been placed into impossible situations, and continue to be placed into such situations even today for openly stating their viewpoints, must be protected. We must review the legality of the assets owned by the existing press. State support to be granted to professional organizations must be sector-neutral also in this regard. A professional assessment of the 1989-90 privatization of the daily press in the countryside must be made. (Deputy State Secretary Gyorgy Fekete comments in this regard on page 13.)

"(...) We regard the continued existence of the Monument of Soviet heroes on Szabadsag Square in Budapest as a source of continued tension. We recommend that further negotiations take place to find a fair solution for relocating this monument...."

Section on Education, Science Policy, Youth, and Sports: According to this section, sufficient progress has been made regarding the law on specialized education, higher education and the academies in order to be enacted prior to May. Conditions and time limits could be, moreover, must be established in certain instances, for the introduction of these provisions. For example, in regard to the introduction of tuition payments as provided for in the higher education law. The section expects from the Ministry of Culture that it plays a role in the Hungarian Televisions, by obtaining air time to report on the NAT (national basic curriculum). Since the MDF advocates tolerance regarding one's outlook on the world, the section urges the MDF to improve its promotion of Catholic and Protestant schools. A management audit and evaluation of research and development institutions, and of universities must be performed, and these institutions must be reorganized accordingly. Open competition must be introduced regarding appointments to leadership and university professor positions. In the course of reorganizing these institutions the guiding principle should be the retention of well-trained professionals, providing conditions for their creative work, and returning to Hungary as many as possible scientists who accepted work assignments abroad.

The Environmental Protection and Regional Development Section requests the government to introduce in parliament an environmental protection law and a regional development law, and requests the MDF parliamentary faction to provide its support in placing these legislative proposals on the agenda during the first half of 1993. The government should present to parliament its regional policy concept as soon as possible.

The Health Care Section expressed its views concerning the 13th month pay of health care workers, among other

matters. "We regard the present situation, in which social security advances these funds, as temporary, because the obligation to repay these funds in six months creates grave operational disturbances in the various hospitals. We request the leaders of society, of the Ministry of Public Welfare, and of local governments to seek a solution in regard to this difficult situation."

[Box, p 8]

Excerpts From the New Bylaws

It is the MDF's goal to serve the interests of the Hungarian nation and the Hungarian homeland in the spirit of the populist-national commitment, a Christian sense of responsibility, national liberalism (liberalism), and of the universal European values of human [and] civil rights.

MDF members who

(a) belong to another party; or who

(b) become members of the National Assembly or local government legislative bodies or county general assemblies as MDF candidates, but who do not join the MDF representative faction

shall be expelled from the MDF.

Any member, who

(a) professes principles or manifests political conduct that cannot be reconciled with the fundamental goals of the MDF, or who violates the mandatory political secrecy concerning statements made at closed session of the bodies; or

(b) resigns from the representative factions of the MDF in parliament, local governments, or general assemblies,

may be expelled from the MDF.

If several MDF organizations operate in a given voting district, the MDF policies shall be reconciled at the level of voting districts by voting district mediation forums (VEF).

Under the VEFs' jurisdiction:

(b) individual National Assembly representatives shall be selected, and the chairman of the organization having jurisdiction in the voting district shall notify the chairman of the county/Budapest board of this fact within eight days.

The county/Budapest board may veto the nomination of a person within 15 days, but shall not nominate another person in his stead.

At the time of nomination, members of the leading bodies, persons nominated for National Assembly representatives, and office holders must declare when accepting the nomination that

(a) they have no criminal record;

(b) they were not members of the AVO [State Security Division] or the AVH [State Security Authority], and that they did not take part in crushing the 1956 revolution and fight for freedom; and that

(c) prior to 1 November 1989 they were not members of the Workers Guard, or top secret officers assigned to the Ministry of the Interior III/III divisions, or office holders in the MSZMP [Hungarian Socialist Workers Party].

Minutes of closed meetings shall be treated as confidential documents. Detailed rules related to confidential documents are contained in the rules published by the national board.

The national presidium may convene the national congress at any time, if necessary. The national congress must be convened based on a 60-days notice, if convening the national congress is recommended by the chairman of the MDF, the national board, the representative faction at the National Assembly, or by at least six county/Budapest boards, by publicizing a proposed agenda.

The following are the voting members of the national board:

(a) 60 members elected by the county boards, not including National Assembly representatives;

(b) one each member elected by the Budapest district organizations;

(c) the chairman of the MDF;

(d) the members of the national presidium;

(e) 10 MDF National Assembly representatives chosen by the MDF faction at the National Assembly;

(f) the chairman of county/Budapest boards.

An employee of the office organization shall not be concurrently a member of the elected body exercising supervisory authority, or of the National Assembly faction of representatives.

(Existing conflicts of interest shall be discontinued within 30 days after the 1994 election of National Assembly representatives.)

* Debate Material of MDF Congress Published

93CH0338A Budapest UJ MAGYARORSZAG in
Hungarian 22 Jan 93 pp 7-11

["Accounting of the Past and Future Prospects: Debate Material Submitted by the Strategic Working Group of the MDF to the Sixth MDF Congress"]

[Text] Legitimate order in a political democracy demands that voters express their will every fourth year based on the national interest and their own personal interests, and that they cast votes of confidence and elect

a political force to exercise legitimate governmental power based on public confidence.

Accordingly, the Hungarian Democratic Forum [MDF] is not acting under pressure, but in due regard to the above circumstance, when it *accounts for its achievements and for areas in which it lags behind*, and when it formulates a *strategy and tactical action plan* adjusted to the changed situation and in response to new challenges.

An MDF policy that provides for a secure society and a secure economy, and serves to uplift the nation, can become the policy of the MDF that remains a ruling party also in the future, only if the MDF is capable of presenting to its membership, its sympathizers and the electorate a *realistic election program that generates confidence and stimulates action by providing a perspective*. Such program must be based on consensus. Therefore, the Strategic Working Group offers its recommendations to elicit thought and to serve as a starting point for an election program, which, in the end, is going to evolve on the basis of broadly based debate, to be adopted by a subsequent MDF National Congress.

I. ACCOUNTING

The Soft Dictatorship as a Social Compromise Forced by Terror

The peace treaties that followed Hungary's defeat in World War I dismembered the territory of historic Hungary: A third of the nation was left outside of Hungary's new borders, and the country's international political dependence increased significantly. In a Europe torn into two parts after 1945, Hungary—despite every effort to the contrary—became part of the Soviet bloc, and this fact determined the course Hungary took in subsequent decades. Totalitarianism rather than democracy, a centralized planned economy rather than a market economy, and a rigid, all-encompassing hierarchy, rather than self-organizing efforts by a civil society evolved and paralyzed society's ability to act. These forces continue to exert their effects even today. As shown by the evolution and final outcome of the events of 1956 and 1968, Soviet troops occupying the country were real factors in the formulation of domestic policies, conveying a sense of immutability.

In parallel with the *internal weakening of Soviet power*, however, the external positions of communism also weakened, at first within communist parties throughout the world, and later in the Warsaw Pact countries. A number of new agreements determined relationships between the various factors in an international political environment that assumed global responsibility. In the course of reaching these agreements the West accepted its opponents as negotiating partners, despite public knowledge that these governments were illegitimate. It did so, because these illegitimate governments were in power and therefore any real results could be ensured only on the basis of such agreements. The position of accepting these governments as negotiating partners prevailed particularly with respect to the Kadar regime,

regarded as more accommodating than the rest. Its worth appreciated even more in the eyes of the West as a result of the fulfillment of the *Helsinki process*, and later, on the basis of stronger economic ties. When the opportunity for a system change arose in Central and East Europe, rallying opposition forces recognized the fact that *Western conduct* showed signs of stunned helplessness on the one hand, and of a deliberate wait-and-see attitude on the other.

Hungary's internal conditions were also peculiar when the time for a system change arrived. The nation had already registered its protest against the regime forced upon it by revolting and fighting for freedom in 1956, but it was left to its own in that struggle. Nevertheless, the lost revolution produced several positive results. For example, the years of retortion were followed by a *relative consolidation*; for millions, the Kadar regime became the symbol of stability and prosperity, as compared to conditions that prevailed in other Central and East European countries. At the cost of fully squandering the country's reserves and funds borrowed from the West, and further, by neglecting modernization, the system was able to temporarily establish *general conditions that were made to appear as societal peace*. This situation could not last forever, of course.

The immediate cause that prompted the 1989-90 system change was the *full defeat suffered by the Soviet global empire* in economic, technical and scientific competition, and in the arms race with the West.

This global empire had to be the loser, because its wasteful economic system lacked constraints that would have forced adaptation and engendered active attitudes, and was capable of accomplishing incomparably less in every field than free market economies—ranging from the quality of life, security, and prosperity, through environmental conditions, all the way to advances in the technological, engineering and scientific fields. The economy fell into ruins and the system collapsed. Communism, and later socialism, *proved to be systems incapable of functioning; they failed to function even from the standpoint of social welfare, (i.e., from the standpoint of equality)*.

The Soviet Union was experiencing the initial signs of internal decay. Its declining influence of power demanded the gradual surrender of positions that were geographically distant from the center of the empire. At the same time, *the global crisis of the socialist economic model* directly shook the foundations of the various Warsaw Pact power structures: this defeat became evident to society as a result of a starting decline in the standard of living. Taking advantage of the rearranging global power structure by breaking away from the empire—for the sole purpose of adapting ourselves to the functioning part of the world—was in our fundamental international interest. *The problem was that initially, dominant interest groups failed to recognize, or did not accept the fact that the evolving, broadly based crisis amounted to the agony of the system itself, and that the*

crisis could be transcended only by changing the system. *An odd race* began based on ideas that the spontaneous disintegration of the system could be slowed down, that this process could be controlled as a result of reform measures implemented by the state party, in its efforts to preserve power.

Most Hungarians, who, in their humiliated frame of mind, were forced to concentrate on their own survival after 1956, and who made *compromises* in order to survive, did not stand up against the ruling system, but they did not support the system either. They made a living in fields left uncontrolled by the central power. *By striking this tacit political bargain* the reward could be found in relative material prosperity and in stability provided by nearly independent careers in the quasi-private sector that could be extricated from under state authority—a political bargain that helped the illegitimate government stay in power. This government vied for the sympathy of both the Hungarian people and Moscow, while pointing fingers at each to reassure the other. In the final analysis, from the people's vantage point, the Kadar system represented not some evil that had to be swept away, but a possible alternative for the survival of colluding accomplices. Thus the Hungarian people recognized the Hungarian form of communism, although deep inside, they never identified with that system.

From the beginning, communists in power sensed that they would not be able to break down the strong fiber of Hungarian society against its will. Thus, from the outset, they endeavored to disrupt and to reduce to its atoms social unity, and to *smash natural communities*. In the world of the party state not guided by automatic reflexes, individual initiative lost out, established goals became faceless and responsive only to the expectations of political power, and people received "ready-made" assignments. Temporarily, society lost its opportunities for, and readiness to initiate self-inspired activities, and this led to a grave crisis of moral values.

Hungary at the Threshold of System Change

With economic difficulties on the increase, the country's mood underwent a decisive change, *upsetting the forced compromise between the power structure and society*. Previously isolated opposition groups became organized and increasingly tried to fill the social vacuum resulting from the withering of power. Their popular support increased rapidly, and later, when this process came to fruition, the Hungarian people rejected the communist system. In the first free elections the opposition achieved a 90-percent victory.

In summary, one could say that as a result of internal contradictions that became critical by the late 1980's, and due to changes in international power conditions, the total inability of the socialist system to function became apparent. Every political force recognized this and placed its program for a system change in one form or another on its banner.

The Real Breakthrough Occurred When the MDF Appeared

The MDF was established in the fall of 1987, during the initial stage of this process. *The MDF represented a breakthrough* in the process of political changes: It served as a model for the rest of the organizations and catalyzed a chain reaction in the organizing efforts. Its program became the standard for comparison; it represented a significant new partner in the previously homogeneous political field—a potential negotiating partner, an organization brought to life by necessity.

At the time of its establishment, the MDF defined itself as a *broadly based intellectual coalition*, and did not meet the known criteria of political parties. Yet, as the first organization of a national scope that stood up against the power structure, it also held out the *promise of becoming an alternative party*. For this reason the establishment of the MDF may be perceived as the beginning of the evolution of a multiparty political structure.

From the outset, MDF efforts aimed for a peaceful system change. The MDF did not have as its goal to acquire power, but to support the uplift of a country that found itself in the midst of a grave crisis, as a result of the ultimate, absurd condition of state socialism. The MDF aimed for establishing national independence, democracy, and a market economy, and for achieving these goals without bloodshed, based on national cooperation in the broadest sense of that term. For this reason the MDF urged the consummation of, and became an active participant in, agreements which led to the establishment of a functioning parliamentary democracy; the meeting at Lakitelek actually symbolized such readiness to reach an agreement, because at that meeting, people espousing the greatest variety of thought, ranging from reform communists to Christian democrats, were able to communicate with each other, consistent with the constraints and requirements posed by the given situation: in the nation's interest.

By the spring of 1989, when the time had come to establish conditions for a multiparty system in a free election, the MDF exerted the greatest influence among the organizations established outside of the power structure. But the strength and legitimacy of the MDF would not have sufficed to force the power structure to develop honorable conditions for, and to call free elections. The cooperation of all substantial opposition political forces was needed to accomplish this.

To avoid chaos and anarchy in the course of transformation, there arose a need for a broadly based guiding principle acceptable to all, one that would point out the sole path to be followed by political forces experiencing similar conditions in a country that moved on constrained paths: one that would ensure legal continuity. The MDF intended to provide such a guiding principle in the framework of its 1988 goal expressed by the National Assembly [acting as a] Constitutional Convention, but time transcended this goal. Evolving political mediation became the path to be followed in Hungary.

This materialized in the form of the *Opposition Roundtable* providing an appropriate counterweight to the exclusive holders of power, while not hindering the independent development of the constituent parties. This, then, enabled the various political parties to provide an appropriate choice to citizens in the first free elections, within the framework of laws drafted in the course of negotiations.

From the National Roundtable, Through the Election Victory, to Forming a Cabinet

In the course of the National Roundtable negotiations the MDF, as the leading force among opposition organizations, *reached an agreement* with the Hungarian Socialist Workers Party [MSZMP] concerning the *legal conditions of a peaceful transition*. Despite the fact that certain goals could not be enforced, the historic significance of the 18 September 1989 agreement remains undisputed, and from a political standpoint it represents the success of the entire opposition. The agreement established legal conditions for free elections and for the basic institutions of a democratic, constitutional state, thereby opening a free path to the dismantling of the party state dictatorship and to a peaceful transition to democracy.

The SZDSZ [Alliance of Free Democrats] and FIDESZ [Federation of Young Democrats] also took part in the negotiations but did not sign the agreement. Instead, they initiated a *popular referendum* to enforce the demands of the opposition which could not be realized as part of the agreement. The MDF responded by boycotting the popular referendum, based on moral considerations that were valid at the time.

The MDF won the largest number of mandates *in the elections*. But since the MDF failed to acquire an absolute majority in parliament, it formed a *coalition government with the Christian, national center* that emerged at the Opposition Roundtable.

Prior to that, however, it was necessary to settle a *significant constitutional issue*. Based on the constitution in force at the time, the enactment of most laws required the *affirmative vote of two-thirds of the representatives*, and since the MDF did not command such a majority even jointly with its natural allies, it had two alternatives to choose from: It could either have entered into a coalition with the SZDSZ, or could have reached a political agreement with the SZDSZ in order to amend the Constitution so as to reduce the number of laws requiring a two-thirds majority vote, at least to a level that enables governance. The *third alternative*, by which the coalition would have been forced to negotiate with the individual opposition parties regarding the enactment of most laws, did not appear as realistic. The MDF ruled out the possibility of forming a coalition with the MSZP [Hungarian Socialist Party] even before the elections.

Actual developments that have taken place since—the politics pursued by the SZDSZ and difficulties in

enacting the still remaining two-thirds laws—went to prove that the MDF had made the proper choice from among the possible alternatives; the *legal institution of a constructive no confidence vote* that became part of the constitution as a result of the agreement, served as one of the safeguards of the country's political stability.

In summary, this much can be said of the agreements: They always served the purpose of making progress in the peaceful transformation and in the nation's uplift in a manner consistent with the conditions of a given period, and they were responsive to the direct interests of the MDF in every instance.

Conscious Retreat by the Communists and Their Planned Salvaging of Power

In order to describe the entire situation in which the *coalition led by the MDF* assumed the governance of the country, it is necessary to briefly analyze the phenomenon of the so-called "salvaging of power."

Members of the group that had a vested interest in the previous system were prepared for the arrival of the new system and chose to pursue an orderly retreat. They had the knowledge, connections and financial means to be first in taking advantage of new opportunities in case of a change; the initial steps in establishing the bilevel banking system and the freedom of enterprising enabled them to *change their careers*. The legion of state administrative workers, party staff and of the Workers' Guard waiting to be dismissed had already received an opportunity in 1989 to take *early retirement and severance pay*. Most of the *press* had been sold prior to the elections on condition that management positions would be retained in the long term. Accordingly, in examining the events of this period it becomes apparent that in contrast to the leaders in Prague, Bucharest, and East Berlin, the ruling interest group in Hungary recognized the necessity of change on time. Most important among the causes that made this group *retreat* was the economic crisis; managing the crisis would have been beyond the capabilities of the old order. This is why a partial surrender of power took place, a surrender, which did not materialize in the form of panic-stricken escape, but as a conscious, *planned retreat*, the retention of positions from which this group hoped to reconquer the rest of the positions. The transfer of political power to the opposition, and the development of a new kind of power and of new ruling positions by the previous party elite, amount to different aspects of one and the same process.

The Coalition Government's Position and Democratic Constitutional Statehood

Thanks to confidence expressed by the electorate, the MDF was able to realize its goals from a *governing position*.

In theory, a governing position provides a good opportunity to any party to realize its perceptions. This opportunity cannot be compared to the unlimited "opportunities" that were taken advantage of, and

abused by parties earlier, parties which held exclusive power to mold and to direct society.

Having acquired a governing position, the MDF established as its goal the development and stabilization of the *democratic constitutional state*. The means by which this was to be accomplished had to be *legitimate*, even if the resultant processes proved to be cumbersome and if the results were to materialize slowly, and in some instances, if they appeared to be unsuccessful in the short term. However useful a goal might have been from a societal standpoint, such goal could not have justified the use of antidemocratic means.

Quite a few circumstances, which exist as a rule and by virtue of the nature of things, impede and exclude the possibility of fully realizing the programs of the MDF: Hungary has a coalition government, and nowhere in the world have coalition governments ever realized the program of only one of the parties. As part of an overall government program, the programs of the coalition parties could appear only as a result of matching the various programs, and only by altering the various programs to a certain extent.

In a democratic state neither the government, nor the constituent parties of the government are "omnipotent," and cannot be omnipotent. The government, and the constituent parties of the government seated in parliament, must establish a legal framework and abide by "rules of fair game." These frameworks must be given content by local governments, civilian self-inspired organizing efforts, individuals active in the economy, and by the *people*. Those in "power" do not, and cannot interfere by providing this content.

At the same time—to no small extent due to earlier reflexes and to a lack of awareness about actual opportunities—we are being held to account for not resolving certain difficulties which we could not have resolved anyway, due to a lack of necessary means and opportunities.

The continued, relatively large number of *laws requiring a two-thirds majority vote* is an added problem that is still hard to manage. The existence of such laws means that in regard to the most important issues, the MDF is able to enforce its endeavors only with the involvement of the opposition. The frustration of the enactment of the media law indicates that the opportunity provided by the two-thirds law can also be used by the opposition for *political extortion* purposes, or, if the coalition does not give in to the extortion, the opposition is able to impede the progress of transformation regarding important issues.

The Established Stability and Unpredictable Circumstances

Considering all these factors, and after comparing the events that took place since the elections with the processes seen in neighboring countries where the state socialist system has similarly collapsed, we find that the

MDF need not be ashamed of the period that transpired since the first free elections. We succeeded in continuously preserving the country's ability to function as well as the political stability of society, while Hungary has made the greatest advances in the system change among all countries experiencing similar situations.

The task undertaken by the MDF—to direct the necessary transformation process of the entire society as the leading ruling party, moreover, by using strictly legitimate means—is *unique in history*. This is so because we must provide rules by law and inspire sweeping social processes. Similar social processes evolve in countries more fortunate than ours as a result of decades of organic development, of natural processes.

The difficulties of this task are aggravated by *a number of circumstances, some of which could not be foreseen*:

1. *At the beginning of the system change*, the country, its economy, as well as society, were in a state of a general, *deep crisis*. It was impossible to recognize the depth of the crisis from the vantage point of the opposition. In contrast, those within the power structure, had been aware for years of the multitude of problems impending the country.

An opportunity for peaceful transition would not have been afforded, had it not been for the extent to which the system had become absurd. Accordingly, the fact of a peaceful transition itself indicates the weight of the *inherited crisis situation*.

2. *The \$22 billion indebtedness* which enabled relative prosperity during the Kadar era, and, in the final period, the functioning of the past system's economy, is part of the crisis. The debt—the amount of which far exceeds the material damages suffered during World War II at current prices—is one of the obstacles in the path of recovery, because interest and principal payments due on the indebtedness act as a heavy burden depressing the economy.

3. *As a result of the economic collapse* of other, previously *Soviet bloc* countries, the eastern markets upon which Hungarian industry had been built, were lost.

4. *The unification of Germany*, which, in itself, represents a joyful turn of events in world politics, is accompanied by severe economic disadvantages from the standpoint of Hungary's transformation. Similarly, the fact that all at once we see processes similar to ours in a number of countries—including in countries within the huge territory of the disintegrated Soviet Union—this change creates a disadvantage from the standpoint of Hungary's transformation, from the standpoint of the "*attitude*" manifested by more developed countries.

5. The economic recession seen in the developed world also makes the the situation more difficult.

Working Democracy and the System Change

At the same time we must also recognize that our situation is made more difficult by the peculiar situation of having to develop a new institutional system for democracy, and by the fact that leaders appointed from the MDF and from the coalition parties, and their chosen personnel must learn the methods of *operating* the new institutions while actually *performing such work*. Everyone *had to learn here and now* the new role to be played: not a single member of the cabinet had been part of the previous state administrative system, and had not even been active in politics; not one of them had been a member of the state party. We should note here that comparisons by former state party politicians of their own professional experience with the lack of practice manifested by the cabinet are totally unfounded. No one in Hungary could have acquired practice in pursuing democratic politics. At the same time, participation in previous politics could have produced certain adverse reflexes. Representatives of the ruling parties that won the free elections had stayed far away from becoming involved in previous politics, and, as a result of this, are free of any of these reflexes. On the other hand, the same people continuously improve their efficiency based on things they learn in pursuing democratic politics and public administration, and in parliament. This process will also be needed in the future. Similarly, there should be no doubt that the opposition and the mass communication media did not grant a *100-day grace period to permit the Hungarian Government to prepare itself for governance*; having such a grace period is a just expectation fostered by new governments in developed democracies, while in Hungary the events produced not only a simple change in the cabinet, but also a *system change*.

Considering all this, it should be understandable when we say that in addition to preserving the country's stability during this four-year cycle, the only possible endeavor we could have pursued would have been to give a firm *start* to the transformation of Hungarian society, in a direction regarded as appropriate by us. But a *single cycle is not long enough for the fulfillment* of these catalyzed processes, and for the beneficial changes to become stabilized. A system change taking place in several fields cannot be implemented in a four-year period, even under ideal conditions.

The political system change is essentially complete. This manifests itself in the establishment of the democratic institutional system and of legally guaranteed human rights.

The establishment of legal conditions for a *social market economy can largely be accomplished in four years*, but the fruition of the ongoing processes, providing substantive content to laws enacted, and the stabilization of the economic system requires much more time. *It will take years* before society as a whole is able to recognize the beneficial impact of the economic system change, after seeing the favorable, and increasingly improving economic indicators.

The Extent of Social Justice and Doing Historical Justice

The social system change—meaning the transformation of society as a whole based on a new value system, accompanied by the replacement of unfit persons—*requires even more time*, and is not going to be realized fully consistent with the sense of justice fostered by society. This causes significant tensions in society, and within that, in the MDF membership, because a majority of the MDF members entered public life based on a sense of social justice. We must recognize, however, that *the cause of social justice can only be served by taking into account realities, and by insisting on the basic principles of democracy and constitutional statehood*.

A system change in the moral sense—i.e., the changing of the way people think and of their moral value system, a spiritual adaptation to the new situation: the existence of a solid sense of social morality—must be the final outcome of a *several decades long process*.

Doing historical justice and the issue of retrospective administration of justice are related to the system change in a moral sense. During the past two years, the MDF, together with its coalition partners, has endeavored to achieve its goals in a consistent and balanced fashion, particularly in the fields of compensating for the loss of assets and the retrospective administration of justice, even though it was faced with the resistance of a united opposition.

In remedying the wrongs suffered by citizens during the past several decades, the MDF and the coalition government started out from the fact that the crimes of the previous system could not be repaired, but that it was the obligation of the government and of parliament to do everything they could, in due regard to the country's capacity and the principles of constitutional legal order. We succeeded in creating fair and just laws to *indemnify* persons unfairly deprived of their lives and freedom. We are enforcing elements of justice by providing moderate, partial compensation for the loss of assets as part of *privatization*, a basic condition for the economic and social system change, and to a significant extent by *returning arable land to private ownership* which is also indispensable from the standpoint of the system change. Regarding the retroactive administration of justice, a law that would have held to account those who had committed the gravest of crimes was declared unconstitutional by the Constitutional Court. As of now, we were unable to show significant results in clarifying and publicizing the events that characterized the past decades.

Irreversible Step on the Path of Transition to a Market Economy

During the past two and a half years, Hungary has taken an irreversible step on the path of *transition from a planned economy to a market economy*. The framework of a constitutional state and the most important institutions of a market economy have been established. All these conditions are the results of an unprecedented

volume of significant legislative work. Advances made both in the field of legislation and in terms of real processes have been recognized in Hungary as well as abroad.

We have changed the direction of our external economy: More than 80 percent of the fruits of Hungarian labor is sold at solvent western markets.

Replacing the earlier isolation, integration with world markets has been contractually ensured. Hungary is an associate member of the EC, and progress has also been made relative to EFTA. Insofar as regional cooperation is concerned, we have signed a free trade agreement with the Visegrad-3. These changes have yet to produce results; even though the new integration helps and supports the uplift of the economy, it is going to take years before we see the benefits.

The country's solvency was restored rapidly and in a spectacular manner after the crisis of 1990, as the joint result of the changed direction of the external economy, the export increment, and investor confidence. Solvency is an asset that appears in the form of confidence; it facilitates the management of the country's indebtedness and also increases international respect for Hungary. In Hungary, this confidence appears in the form of an unprecedented propensity to set aside individual savings.

The decades old critical trend of going deeper and deeper into debt has been broken and reversed. In the course of less than three years the country's volume of net indebtedness has been reduced by almost 20 percent, the structure of the indebtedness has improved, and its financing has become secure.

The country's reserves have increased to a normal level (almost ten times the previous \$600 million level) from a previous situation in which the maintenance of solvency appeared as a day-to-day survival issue.

The country's foreign trade balance has reached an equilibrium and its structure has also become more favorable.

Beyond achieving an equilibrium, *the country's balance of payments shows a surplus.* Restoring the balance of payments equilibrium has eliminated the processes experienced for two decades and has resolved the related tensions.

The changed direction of the external economy, the favorable turn of events in the country's international financial obligations, and the restoration of international confidence came about because *the logic of the marketplace has become predominant in the country's economy in response to governmental decisions and actions;* previous interferences which distorted market processes and frustrated their prevalence have ceased, and a forceful removal of the state from the economy has begun as a result of transforming the state administration and the removal of bureaucratic barriers.

Our isolation from world markets has ceased. The country is open to foreign competition. Valid judgments made by the world have become the yardstick by which Hungarian labor, the quality of the work of Hungarian producers is measured.

One can freely invest and enter the market. No significant factors in the form of bureaucratic measures or adverse discrimination hinder the financial growth of Hungarian private individuals, corporations or foreign entrepreneurs in Hungary. Last year's volume of *operating capital influx* exceeded \$3 billion, and international firms like Opel, Ford, Philips, Nestle, Philip Morris, and Suzuki have appeared in Hungary.

The distorted, unreal pricing system has been repaired at the cost of no small sacrifice. Prices have been freed and a *liberalized pricing system* has evolved in which prices dictated by the government apply only to a negligible group of products. *We discontinued price supports* and production subsidies.

The freedom to enter the market, and the removal of market constraints have resulted in a spectacular *flourishing of Hungarian small and medium-size entrepreneurial ventures* in a historically very short period of time. Spectacular competition, together with all its favorable effects has evolved in most sectors of the economy: we are witnessing a forceful expansion of supplies, the absence of shortages, market barriers to wage-price differentials, and market-oriented investment decisions. We have become a relatively attractive *target country* for foreign investments. Hungary is the choice of investment for 60 percent of the foreign capital flowing to East Europe.

One must not underestimate the already begun *deep-seated process of transforming the ownership structure* either, although this is the most debated and most sensitive of all the changes.

The entire legal and institutional framework for ownership reform to be implemented pursuant to law, has been established. After establishing autonomous local governments, the establishment of the financial foundations of local governments has begun in 1992, by using previously state-owned property. The *transfer of property to local governments* will be complete in 1993. Having established economic foundations for autonomous governance, some 3,000 independent settlements will be able to act with proprietary solicitude.

More than 800,000 former owners are going to receive *compensation.* Almost 2 million people will directly receive *individual deeds to cooperative assets* and as a result of organizing new cooperatives.

Insofar as retail trade and the hospitality industry are concerned, *privatization*, or in a stricter sense of the term: the sale of the state's ownership of the previous competitive sphere, is almost complete. *A rapidly accelerating methodical sales campaign* encompassing every

branch of the economy has begun. This campaign augments decentralization and increases competition. Foreigners manifest a great and increasing interest and confidence; they invest close to \$1 billion annually in buying enterprises. A system of favorable credit terms (E-Loans) has been developed to support the acquisition of property by Hungarians; intermediary financial institutions (Credit Guarantee Corporation) have been established; based on the Employee Stock Ownership [MRP] Law initial MRP programs have been established, and stock targeting a broadly based group of individuals has been issued (Danubius). Privatization has become the subject of direct interest and involvement by millions of individuals. State ownership organizations, notably the State Property Management Corporation and the Treasury, have been established.

Employment pursuant to market economy standards has been ensured by the Employment Law (1991), the new Labor Law (1992), and the Law concerning the Legal Status of Public Employees and Public Officials. Since August 1990 we also have a labor mediation mechanism.

The most important laws that *constitute the legal framework for the economy* have been enacted. The most important laws and institutions which introduce the concepts of constitutional statehood in the economy have taken effect.

The direct *involvement of the state in the economy* has significantly decreased as a result of downscaling subsidies, removing price controls, permitting free competition, discontinuing investments by the state, and reducing the extent of state ownership. *Reducing the income distribution role of the state* requires an extended period of time, but it would be a mistake not to implement this goal in a consistent manner.

In a new legal framework for *financial institutions*, their number has increased and exceeds 50, thus establishing the preconditions for a competitive market also in this field.

A significant turnaround which could have a great impact has taken place regarding *inflationary processes*. Although the fact is that the increasingly accelerating inflationary process that began in the 1970's has peaked during the first half of 1991 and has reached very dangerous levels, the growing inflation rate has reversed itself beginning in the middle of 1991, and the slow down has become permanent as of late 1992. This process has been firmly followed by a reduction of interest rates—a fundamental condition for the economic uplift. Even today, it would be unrealistic to believe that the general price level increment could be tamed to single-digit inflation rate by the end of 1994. The success of anti-inflationary policies is conveyed by annual consumer price indexes: 34 percent in 1990; 38 percent in 1991; 23 percent in 1992; and an expected 14-17 percent in 1993.

The Tensions of the "Automatic Economy"

A turnaround has taken place in Hungary as a result of establishing the chief characteristics of an *"automatic economy."* Having survived the crisis of a severe illness, the economy is recovering: It is still weak, but it is filled with vitality, and one cannot deny that its health is being restored. At the same time, however, there is no doubt that healing requires and demands strength, discipline, endurance, patience, and creative contributions from everyone. *Most economic tensions of the turnaround* surfaced in response to competition, and as a direct result of the previous over-employment. Due to the very low rate of productivity, and the collapse of eastern markets we must count on long-term *unemployment*.

Since swapping merchandise and commodities with the east has come to an end, *the distorted merchandise structure* has produced dramatic shocks in certain branches of industry which, in those days, did not prepare themselves to switch markets. Products manufactured by the electronics, military technology, and mass transportation vehicle industries, as well as low quality semifinished products, and agricultural and food industry mass products *can no longer be sold*, their manufacturers have either shrunk or collapsed.

Although the transition to western markets occurred quickly, this change could not compensate for the great losses, and therefore we now see a temporary *decline in income* produced by the *economy*. On the other hand, the decline in income production was not followed by a similar restructuring and reduction in the state's redistribution efforts, and therefore the *budget deficit* has once again assumed dangerous proportions.

The loss of markets by firms has induced *income and liquidity tensions*. Payment discipline has become lax, and a rather large volume of enterprise indebtedness has evolved, often turning into noncollectible funds from the standpoint of creditors. Under conditions created by an anti-inflationary policy and by the recession, lending activities have come to a halt and, *in theory, conditions for a credit crisis* have evolved.

Society has undergone a rather serious polarization that is unacceptable to many, both in a geographical (East-West) sense, and in terms of various social groups. The essence of this polarization is that certain regions and social groups capable of adaptation have risen quickly, while others, having a lesser opportunity to adapt themselves, fell behind or became severed. The lowering of social class belonging has not become a mass phenomenon, but the mere *preservation of social status* and of the standard of living *required additional efforts* from individuals and groups.

The middle class that enjoyed an exceptional situation under the Kadar system as a result of income transfers and social benefits, and that was "bridled" as a result, is facing the greatest challenge. This social group is struck most severely by the constraint to comply with the new

requirements, by threats to careers presented by competition and unemployment, and by the price raising effect of discontinued subsidies—the experiment aiming for the reduced role to be played by social benefits—and by the transition to world market prices. Most dramatic is *the political challenge*, because the strata supposed to accept the greatest burden in conjunction with the transformation are the ones which wanted to see the transformation most, and which helped today's forces with their votes to acquire a governing position. Every social group experiences these unpleasant events for different reasons and in different ways, and the decisive reason that brings about these events is the constraint to compete. The changed economic systems forces the country's citizens to constantly make decisions—a situation they are not used to, and to which they have difficulty in adapting.

Social Safety Net and Social Partnership

All the things that had been done to introduce a social market economy could not really relax the sense of uncertainty in society, the feeling of being threatened and the apprehension fostered by individuals, even though (contrary to all demagogic statements) the safety net of the social market economy has become stronger.

A new institution of *partnership* has evolved in society. A labor interest mediation mechanism has been established. The struggle over assets by trade unions has abated, and the relationship between employer and employee organization, and the government is now characterized by a cooperative relationship of partners. The country tolerated and implemented the very painful period of transition without any serious stirring, strike or significant social unrest.

National Independence, Stability, and Legality

Regaining *national independence*, transforming the country's *international relations* and changing Hungary's role in a changing world were some of the MDF's fundamental goals.

The disintegration of the Warsaw Pact and CEMA, and the end of Soviet occupation were fundamentally the results of changes that had occurred in the world, but the Hungarian Government had also played a role in shaping these events—a role far exceeding the country's weight based on its size and situation. The Hungarian Government had initiated the termination of these two organizations, and had achieved the *withdrawal of Soviet troops* at the earliest possible date, in the framework of fair, moreover, from our standpoint, advantageous, agreements. The regaining of our national independence was crowned by the November 1992 visit of *Russian President Boris Yeltsin*, in the course of which—acting as the legal successor to the Soviet state that had been discontinued in the meantime—he *apologized to the Hungarian people* for crushing the 1956 fight for freedom and revolution, and indirectly for the four and a half decades of Soviet occupation. As a result, “a new

era has dawned on the relationship between two countries interested in liquidating the remnants of dictatorship, in building and reinforcing democratic constitutional states, and in establishing conditions for functioning market economies, in which friendship and cooperation between the two nations can freely evolve,” according to a National Assembly Resolution proclaimed in conjunction with this event. Thus, a situation has evolved in which we extend an olive branch if they remove the shackles, as told by Jozsef Antall to an earlier MDF National Congress.

On the grounds of our national independence, we established a broad and balanced system of international relations by pursuing an *active foreign policy*. The definitive direction taken by this foreign policy is indicated by the fact that in 1992 *we consummated an Agreement on Association with the EC*, an event that tops all the achievements accomplished so far.

Nevertheless, Hungary's fundamentally changed situation in the world is determined mostly by its *internal conditions*, by the establishment of democracy and a market economy, as well as by the fact that the MDF-led coalition is building a country and society akin to those that evolved in the developed world, a country and a society which represent *values* professed by the legitimate political forces of important countries throughout the world. The fact that *Hungary is an island of peace and the beholder of stability* in a changing region riddled with wars and grave ethnic and social conflicts—a region still characterized by the aggressive attitudes of the previous systems' political forces—is significant. All this provides a unique chance for the Hungarian people to acquire for themselves an appropriate position in a transforming world, in a Europe headed in the direction of integration.

In addition to increasing the international prestige of the country, the other unquestionably positive aspect of the past period has been the *establishment and preservation of political stability*. These two factors serve as the basic conditions for an economic upswing and for the successful implementation of the entire system change.

Adherence to the constitution and legality are the only things that can ensure stability in a democratic society. The Hungarian Republic is an independent, democratic constitutional state not only on the basis of Paragraph 2 of the Constitution, but also in reality. This means that legality of action and the constitutional order provide stability and security to Hungarian society, rather than the armed forces of an alien power, or the internal enforcement organizations of the state. Abiding by, and enforcing the laws is the most important task of the government and of all constitutional institutions.

Unquestionably, the transforming system of control and criminal justice were unable to keep in step with the growing market economy.

The greatest shortcomings could be found in this regard during the past two years. The failure to appropriately

tax certain income earned in the private sector, delays in holding to account persons involved in economic crimes, the failure to collect assessed taxes, customs duties and social security contributions equally threaten both legality and financial stability.

Parliament and the government cannot be fairly criticized from the standpoint of abiding by laws, and, above all, by the Constitution. Quite naturally, in certain instances the Constitutional Court declared certain laws as unconstitutional, but the government, and a majority in parliament accepted the Constitutional Court's decisions even if those applied to fundamental issues regarded as beneficial from a societal standpoint. Whenever the interpretation of the Constitution by the governing coalition and the Constitutional Court differed, a solution consistent with the interpretation of the Constitutional Court had to be sought to serve as the foundation for political decisions deemed to be appropriate and beneficial to society. Surrendering goals deemed to be beneficial from a societal standpoint would be just as unconstitutional as disregarding the decisions rendered by the Constitutional Court.

We must firmly state that in the future, too, the government of the Hungarian Republic and the parliamentary majority are going to act in a manner *consistent with the prevailing constitution*, even if others violate that. Respecting the Constitution and the laws is the chief safeguard of stability, which we do not want to threaten under any circumstance. At the same time, however, we are obligated to utilize every legitimate and political means to prevent anyone from manifesting conduct that violates the Constitution or the laws.

Political stability is an indispensable basic condition that enabled the achievements of the system change thus far, and which ensured the future success of transformation. On the other hand, a parliamentary, democratic institutional system serves as the collateral for political stability. This institutional system is consistent with our historical traditions, it is based on European experience and on the most appropriate examples provided by the new democracies that evolved after the dictatorship, and is best suited to ensure stability. It is a system we developed at the trilateral negotiations and in the course of amending the constitution based on an agreement of mutual understanding between the MDF and the SZDSZ.

The continued maintenance of political stability is further conditioned by the need for the government to take firm steps in the remaining year and a half of its mandate to implement its system-changing program to the greatest possible extent. Conversely, everyone should be aware that this program can be implemented only if political stability is maintained. A democracy and a constitutional state are not weaker than a dictatorship or an autocracy, because millions of voters support a democracy, while autocracies and dictatorships are supported by force only!

II. PERSPECTIVES

1. On MDF Strategy and Tactics

Definitive Factors

Much of our program has been realized, but new challenges and new internal restlessness demand answers. We need a strategy that provides a perspective in terms of realistic steps that can be followed. A program that relieves the paralyzing effect of lack of confidence and weak-heartedness, supportive of a responsible and deeply committed policy.

Hungary's transformation could serve as a model, and the stabilizing role it plays makes it a factor in maintaining peace, even if measured on a European scale. The purpose of further action is to maintain the competitive advantage gained in East Europe, to provide a "model" transformation process to be followed, and to serve as an example in the region.

In setting the strategic goals to be followed by the MDF in the next two years, we must consider circumstances that can be predicted not only *within the European*, but also in the global economy.

After the collapse of the so-called socialist global system, and basically in response to the effects of that collapse, signs of large scale decline could be detected primarily in the European, and also in the global economy, even though the process that works from the Baltic Sea to the Black Sea is unique in history. It is beyond dispute—and we must accept this as an indication—that within this region the same processes operate and the same problems arise as the ones that characterize our conditions in Hungary. *A single evolutionary path is offered for this, and within this region, for Hungary: After the failure of state socialism we must proceed on the path we chose in 1990. But since the obstacles on this path have already presented serious difficulties throughout Central and East Europe, we must, by all means, continue to count on feeling the effects of these while we govern.*

The situation of Hungarian minorities in neighboring countries is closely linked to what we have discussed before, nevertheless it must also be dealt with separately when formulating policies. The kinds of country-building and executive activities performed by the MDF are not indifferent from the standpoint of their fate either, and, at the same time, the responsible nurturing of our relations could help relax the political tensions in the entire region.

Value System and Commitment

Seldom does the name of a political movement or party perfectly express its commitment to a value system. As part of the MDF's self-portrait and profile *the national character must continue to remain the definitive criterion. The primary factors that ensure the national character of MDF policies are the achievement and maintenance of national self-determination in the Carpathian basin, the representation of the historic and spiritual unity of, and*

the contribution to the preservation and development of populist culture by Hungarians in dispersion, the nurturing of St. Stephen's receptive Hungarian consciousness and tolerance of minorities, the common character of being Hungarian and being European, and the acceptance of a common fate with neighboring people. The party must not tolerate situations in which political forces discredit this concept and practice by either downgrading or improperly articulating this national consciousness.

The party's commitment to democracy is inseparable from the MDF's national character. We repeatedly stress that the MDF stands on the grounds of a parliamentary democracy and constitutional statehood. The MDF not only refrains from striving to monopolize power; to the contrary: As one of the leading organizations that established democracy in Hungary, it also is the beholder of the principles of democracy.

The MDF's forum character means openness. We confirm what we professed as part of the Lakitelek statement: We believe that as a result of a broadly based unity among the forces of renewal we will extricate ourselves from the crisis."

The structure of society may be regarded less and less homogeneous; its composite character can be favorably reflected by maintaining the ideological diversity of the party. On the other hand, diversity must not be regarded as lack of organization, and must not represent an excuse for the coarseness of intra-party debates.

The bylaws clearly summarize the MDF's commitment to its value system: "It is the goal of the MDF to serve the interests of the Hungarian nation and the Hungarian homeland in the spirit of a Christian responsibility, and of national liberalism, human and civil rights and the spirit of universal European values."

In unfurling its banner the MDF invited every force capable of simultaneously representing both the national and the democratic values, to join in the effort to renew the nation. This openness of the MDF remains unchanged under changed historical circumstances; although in a different way, openness continues to be a definitive characteristic of the MDF's relationship to society.

Strategic Goals

The Harmony of the European and the Hungarian Character. *The most important strategic goal is Hungary's integration with the EC, while preserving the country's national identity. This includes the final resolution within the common Central European borders of problems experienced by Hungarians in the minority within the Carpathian basin; it means integration with the uniform European legal system and democratic institutional system; and it also means economic integration, involving every partial aspect of the economy: the abolition of customs duties, the improvement of quality, opportunities for migrant labor, equal opportunity in research, etc.*

Before realizing this distant goal, we must develop technical and institutional assurances which enable the preservation of our national identity in Hungary in regard to education, cultural values, language use, etc. on the one hand, and which ensure the survival of Hungarians in the minority beyond the borders, enabling them to preserve their national identity.

As a governing force the MDF must reinforce regional relationships on the path toward European integration; such relationships pave the way to the achievement of the main goal. These include the EFTA agreement, the free trade negotiations with the Visegrad partners, active involvement in the Central European Initiative, and the further development of economic relations in the border regions.

The Definition and Implementation of Subsequent Tasks Related to the System Change

Social Policies. *The preservation of Hungary's political stability remains unchanged as the fundamental issue. A desire to be secure appreciates in particular in a society forced to confront a mass of new challenges upon reaching a historic turning point. Under such circumstances a political party's reliability is decisive: The MDF must be free from any sudden shock and change in direction.*

We must not permit a situation in which our efforts to do justice are misinterpreted by our opponents, creating an unwarranted feeling of being threatened in a significant part of society. To prevent such situations, we must do justice firmly, accurately, and quickly, and must complete the related legislative work as soon as possible. We must endeavor to instill in the consciousness of society the fact that the administration of justice can also manifest itself in positive forms, such as in measures providing compensation. We must not mistakenly view the proportion of crimes either, by condemning only the crimes of the previous system, while failing to demand necessary and justified explanations from the criminals of the transitional period. In particular, we must take action to effectively unvail economic crimes and to persecute such crimes.

The solidifying of public security also constitutes a strategic goal; in conjunction with this the MDF must take a firm position regarding the enactment of a police law and, in part, with respect to the development of a police precinct network and the secure protection of our borders.

We must formulate a new and determined youth policy. It must, in part, encompass a more sensitive analysis of the problems of youth, and, in part, measures to help recent graduates to fill new positions, and the support of young politicians in finding work in various fields within the MDF.

Without suppressing social sensitivities, we must rethink the problem of how to manage unemployment. We must make employees recognize that in given situations keeping a workplace is a better solution even at the cost

of sacrifices, than relying on benefits with an uncertain future. We must find a way to *limit to a minimum pseudo-unemployment that irritates society*; in this regard we must rely on effective cooperation with local governments and civilian organizing efforts. Finally: while observing the principle of voluntary participation, we must establish a system of conditions for a broadly based, complex *public works* system, so that the unemployed feel that they are useful members of society, even if losing their original workplace became unavoidable.

Hungary has always experienced a *shortage of capital*. The problem of capital shortage *can only be resolved by importing capital*, while simultaneously mobilizing the accumulated *domestic capital*. All this, however, becomes conceivable only if capital is secure in Hungary. Without providing such sense of security we must provide a very high rate of return to render the greater risk tolerable to investors.

Accordingly, the security of capital depends on social stability, and social stability depends on the *sense of security of individual citizens*. This is why *having a social policy that provides an appropriate background for the sense of security of citizens is a national interest*, and not simply an issue of ethics. In our *social policies* we must find resources to finance service deliveries primarily on the basis of need. Such resources could be made available in part by gradually liquidating the black market, a *tax structure that distributes the public burden more evenly*, and in part by *restructuring the large service delivery systems*.

In the *cultural field* we must achieve a breakthrough in *reforming the higher education system*. To accomplish this we must establish the required *legal background* on the one hand, and must provide *institutional and financial conditions* on the basis of which we could broaden the number of people receiving education with the simultaneous raising of the quality level, on the other. It is very important that *teacher training be handled as a priority*, and further, we must establish an *institutional relationship between scientific research, innovation, and higher education*.

In a broader context: The government must play the greatest possible role along with a highest degree of *institutional independence* in continuously maintaining appropriate conditions for the sciences, literature and the arts, and self-inspired creative work. At the same time, the government must regard as its duty to *sustain the basic institutions of national culture, and the support of self-organized national cultural activities*.

The MDF remains unchanged in its high regard for the role of religion, religious institutions and religious denominations in strengthening the traditional sense of morality, and supports the performance of service functions by these within society.

Economic Policy Tasks. One could hardly deny that *the continuing to change ownership in the economy, and structural conversion toward a social market economy are*

key issues. Despite the negative side effects of these processes, and despite their accompanying political unpopularity, *the malaise prevailing in society* does not stem from economic and social problems alone, but primarily from the fact that people do not understand these processes. They do not recognize the need for these processes, and do not sense that the constraints imposed lay the groundwork for economic uplift, and related matters that flow from this. And since as a result of all this they do not recognize the perspectives of evolution either, their basic sense suggests hopelessness and uncertainty. For this reason, *we must implement economic measures which demonstrate a perspective, and we must explain these to the public*, even within the given narrow scope of objective possibilities. Measures that can be understood by the public include the continuation and initiation of infrastructural investments (highways, railroad, the telephone system, etc.), and the definition of a comprehensible, *clear housing construction program*.

In the context of *privatization*—the main element of the economic system change—it would be appropriate to give special emphasis to political intentions related to *local government property*, along with discussing the state's functions (new privatization techniques, the involvement of increasingly broader segments of society in privatization, the attraction of professional and financial investors to strategic branches of industry, the consistent implementation of credit consolidation, facilitating the acquisition of ownership by small and medium-size entrepreneurial ventures). Local governments are at least as bad investors and operators as the state is. Therefore it is indispensable and important in the future that local government property be recorded and managed on the basis of uniform principles and recommendations, and that the strategy to protect and to privatize local government property be uniform.

As part of fostering commerce, we must provide fundamental support to endeavors which shorten the path from the producer to the consumer. We must establish a goal to the effect that part of the profits realized in commerce be invested into production-oriented ventures, thus improving the standards of distribution and supplies.

The anticipated structure, and the composition of employment and enterprise sizes appear in the projected time frame of the years 1995-2000-2010 as part of the government's industrial policy concept. In an annex to this we must also detail the necessary steps to be taken regarding higher education, specialized training and retraining, as well as the complex program of managing unemployment.

Reinforcing the MDF view expressed earlier concerning *a broad, propertied middle class, a greater sphere of movement must be provided to small and medium-size entrepreneurs* by appropriately molding the economic environment and as a result of financial policy measures. In this regard the consistent implementation of already existing government determinations is of particular importance.

Further Tasks Related To Governmental And Local Governmental Activities. *The way governmental activities in general are viewed determines the way the MDF is being viewed: In multiparty parliamentary democracies it is customary and natural to view the governmental role in this context. The central significance of the government is further underscored by the fact that the process of the system change is, at the same time, also a crisis management process: Power always has to be centralized to a certain degree in order to overcome crises. A weak state unable to act amounts to a dangerous illusion. The effectiveness of the state's operations must be ensured in harmony with the rights of citizens.*

Consistent with the already started state administrative reform process it would seem as appropriate to once again review all tasks performed under the authority of ministers to determine what further steps have to be taken in the framework of *state administrative reform*, how to streamline processes to improve the efficacy of the workings of local governments, and how the most favorable balance between rights and duties could be achieved from the highest levels of state administration to the smallest units of local government.

The Political Tasks of the Party

In the aftermath of the 1990 elections we failed to thoroughly analyze which factors contributed to the MDF's success. We are convinced—and we emphasize this—that the desirable and attractive profile for 1994 has once already appeared in 1990. Voters cast their ballots in support of a political endeavor reflected in the joint message conveyed by our goals and watchwords. This is how the MDF was able to appear in the eyes of voters as a strong, diverse, but at the same time united, democratic, constructive centrist party with a national commitment capable of consistently implementing the system change. An excessive emphasis on any one of these qualities would lead to a partial self-sacrifice of the MDF. In addition to the need to emphasize this set of qualities, the unity of the MDF's profile is also very important. *A political force unable to conjure up in the voters mind an image of belonging together, and a harmony between the professed values cannot count on the broad support of the electorate.*

Beyond the occasionally extreme manifestations of internal conflicts that surfaced in the past, the fact that in many instances the MDF provided a direct response to the challenges presented by daily events did the greatest damage to the public image of the MDF.

The MDF manifested intolerance in situations when it should have demonstrated a greater degree of understanding; on other occasions, when strong action would have been required, it showed forgiveness. In more than one instance radical rhetoric was fully matched by a practical incapacity to act. *Our politics as a whole must become future-oriented. We must endeavor to provide a realistic response to every real problem, based on our value system. Society is able to accept only consistent,*

balanced responses with a perspective, that can only come from a moderate centrist party which has its place in the center of political and social public life, and which is capable of demonstrating populist features.

As part of the tactical considerations it is worth recalling that prior to the 1990 elections a number of our political opponents tried to create a left-wing image for the MDF by accusing it of compromising with certain significant personalities of the communist successor party. Efforts have been made continuously since the elections, but even more forcefully during the past six months, to shift the MDF to the Right. *Accordingly, it is in the vital interest of the MDF to clearly distance itself from extremes, regardless of whether such extremes are of the left-wing or right-wing persuasions.*

In the course of our governance thus far, moved by purifying endeavors motivated by a sense of justice, (and, on occasion, by "falling" for conscious provocations by the opposition), we adopted a manner of communications which did not convey a sufficiently discerned and clear-cut message, and which "succeeded" in alienating a certain segment of society which, although not committed to our ideals and policies, was not opposed to us either. Surely, certain unpopular measures unavoidably affecting certain strata of society, and certain mistaken steps have also contributed to this.

Hostile propaganda emanating from much of the press has also contributed to the development of a negative image, and so did the fact that more than one local organization pursues political discourse in closed meetings, virtually in catacombs. We will not be able to implement our policies, and we will not enjoy a broad, mass support unless we are able to make a radical departure from reclusive, intensive politicking, unless we are able to initiate new dialogue with society: including strata and groups which mold public opinion, such as educators, physicians and health care workers in general, leading personalities in business and industry, small and medium-size entrepreneurs, administrators, interest groups, individual professional organizations, etc.

It is our important and difficult task to regain the confidence of the *intelligentsia* that has removed itself from us. As a result of conducting dialogue with interest groups and professional organizations we could come closer to the broad masses of people, workers, and employees struck with everyday concerns, many of whom have been alienated and view the political events from that vantage point.

In general: *In terms of our tone of voice and style we must make a greater effort to observe and to preserve the standards of normal conversation with other political factors.*

The Goals and the Societal Base. It flows from the MDF's populist party character that we must not narrow down our constituent base to one or another stratum of society, without representing the harmony of interests of all social strata. Based on the logic of our policies and on

the situation experienced by certain social strata, we must provide *distinguished support to the middle strata* in the broadest sense of that term, *including members of society struggling not to be severed from the mainstream of society and for becoming integrated*, and further, we must give preference to *retired people and to youth*. As compared to our present political practice, we must manifest a substantially greater concern, and pay greater attention particularly to people critically exposed to everyday difficulties, and to youth, by projecting an appropriate image of the future. The success of our political work is inseparable from the *small and medium-size entrepreneurial strata that is becoming financially stabilized*; these strata must, by necessity, become the driving force in the process of uplifting the country.

Quite naturally, we also regard as part of our constituent base all those masses which are motivated by national ideals and a sense of Christian morality, and are prepared to support our policies aiming for the uplift of the country, irrespective of social stratum to which they belong.

From Spontaneous Development to a State of Being Consciously Organized. From the beginning, the MDF has evolved through autonomous, organic development, and much of its party organization has also evolved spontaneously. Retaining the function of governance, however, requires conscious organizing work, and the application of relevant knowledge from the social sciences. Up to date knowledge of societal needs, continuous attention to public opinion, and advance, thorough impact analyses of individual measures are indispensable to even the best possible decisions. This kind of matching of information with political goals is the essence of formulating strategy. Streamlining the activities of the party, the government (including local governments) and of groups of representatives is necessary in both planning and the implementation processes. In general, under the pressure of the mass of daily tasks, long-term organizing considerations are neglected.

While the MDF, as an organization, won the elections decisively by using means appropriate from the standpoint of a movement, its governing role caused the movement within the party to wither. This is a great internal contradiction within the MDF as of recently and in the present. Due to the peculiar features of Hungarian society and democracy, the MDF must, simultaneously function as both a professional political party and a social movement. The MDF will be able to respond to this dual challenge by focusing its activities between the two elections on broadening its constituent base in society and not only in local political public affairs activities characteristic of a movement, and by concentrating during the period immediately preceding the elections on functioning like a well-organized western party with an announced election program. Intensifying the activities of the movement (interest representation, preservation of traditions, cultural and charitable work, etc.) at the local level is, by all means, desirable; on the national level, however, it is necessary to develop a professional

program party structure: A structure capable of organizing the party and directing daily political work in close cooperation with the government and with the representative faction, as well as independently.

The Media. The bad relationship between the MDF and much of the press is well known.

This situation is caused in part by adverse feelings and bias against our organization, in part by the misunderstanding of our goals and endeavors for various reasons, and by the fact that in most instances the MDF deals with this situation on an emotional basis and feels offended.

We must change our policies relative to the press and the media: While we should *continue to react* to distortions, untrue presentations, and statements that mislead the public, we should also *abandon* our insulted, rejecting attitude toward the press. We must make a much greater effort than before to provide an abundance of information and news to the press and the media, thus placing the press and the media in a position where *we are not the obstacle in the path of objective reporting*, as long as the distorted interpretation of our goals was not based on sheer antipathy. In order to accomplish this, *we must establish legal guarantees for the press to operate on the foundation of decency*, and just as we have done before, we must also continue in the future to recognize as a basic tenet the need to ensure the independence and nonpartisan character of information. In addition to all this, we support the idea of training a new, young generation of journalists.

2. Ideas for a New Election Program

1993 is the last full year before the parliamentary elections. Accordingly, this is the year in which we must formulate our election program.

It is important that the program evolve as a result of responsible, joint thinking, and thus provide the greatest chance for the MDF to win the 1994 elections.

We are certain that the National Assembly provides many responsible ideas which could be incorporated in the program. We want to assist this kind of thinking by describing concepts that could represent the foundations of the program, and which might prompt new ideas. Enough time is available to debate every useful concept and to incorporate these in the new program.

The Need for, and the Character of, the Program

During the first period of the system change which marked the end of an era, Hungary established the legal and institutional framework for democracy and constitutional statehood, and introduced forceful market economy reform measures and stabilized the economy. The MDF program supported by a vote of public confidence in the 1990 elections served as the foundation for policies which endeavored to achieve peace in society but also agreed to make difficult decisions.

Stability, the peaceful transition, and the restructuring of the economy are to be credited jointly to *this policy, and to a nation that increasingly recognizes its own interests.*

A significant part of the MDF program has become reality. New challenges presented in this era, and restlessness under changing circumstances demand *new answers capable of balancing the just needs of society with realistic possibilities, and demonstrate the perspectives in the form of a series of steps that can be implemented.*

In the new period of the system change *every opportunity is given* to achieve gradual and lasting economic growth that justifies the sacrifices and efforts made thus far, and to make clear to all that the opportunity for the gradual evolution of *a more secure and more peaceful life* is not somewhere in the distant future. Instead, we are at the *threshold of such change.* We must instill in the people's mind that this region is about to undergo tremendous development, one of the most significant markets of the world is going to evolve between the Lajta River and the Ural Mountains, and that this country is also going to play an important role in that market.

We must relieve the spasms caused by lack of confidence and weak-heartedness, *because renewed joint efforts, confidence, and faith* are needed to realize responsible and committed policies intended to make Hungary an even more stable and even more attractive example in the Central-East European region.

The Outline of the Program

It is our goal to create a Hungary that develops harmonious relations with its neighbors and one that integrates with Europe.

For this reason, our program must convey a multidirectional message!

It should tell the world that we are, and will continue to be, predictable, staid partners. Democracy in Hungary need not be protected from us.

It should tell our neighbors that we are, and will continue to be helping, reliable, good neighbors.

It should tell the Hungarians in dispersion that the interests of Hungarians throughout the world, the interests of the nation are fundamental from our standpoint.

It should tell the citizens of this country that we are committed and firm, but also disciplined, and that we have served, and continue to serve them honorably, based on pure politics.

It should tell active individuals that we want to provide opportunities and chances for everyone.

And finally, it should tell us, the members of the MDF to set aside our weak-heartedness, that there is no reason to

be bitter or to accuse each other; we have performed a large part of our work, and that new tasks await to be performed.

Whom Can We Count On? *We can count on the broad strata of Hungarian society, the members of which are capable of, and prepared to flexibly adapt to changing conditions, who are capable of renewing themselves and to innovate, and who also count on the burden to be presented by the system change.*

In our program we must once again attest to the *fundamental values* upon which the MDF has always built its policies; these are: the nation, democracy, and freedom.

The MDF has regarded the organizations of civil society in general as potential partners. It is prepared to accept as its ally any party, association, group, or individual holding the same views as ours regarding basic values, and demonstrating such commitment with deeds. We cannot and do not want to cooperate only with those, who in any respect or in any sense represent extremes, proclaim the exclusivity of a single value or a single ideal, or deny the values proclaimed by us, and who strive to rule instead instead of serving.

The Economy Is the Key to the Program's Success

We must understand clearly that the consistent restructuring of the economy is indispensable to continued stabilization.

The country should become the economic and cultural center of the region. *We must accomplish all this with our own strength, with sober action, in a relaxed atmosphere, and without political pseudo-wars.* In contrast to the old order that continues to survive in "new colors" at many places in Central and East Europe, Hungary must demonstrate its commitment to the ideals of social market economy, parliamentary democracy, and constitutional statehood: that it leaves no place in politics for the bygone system and for those who represent that system. We must emphasize that Hungarian society has, in essence, resolved the political issues of the system change, and the MDF must concentrate all its strength on the economy, it must avoid unproductive political struggles.

The distant goals will become a reality only if the economy as a whole remains attractive to the country. The economy will embark on a healthy, lasting growth course if the country does not stray away from the path of consistent reform measures. The social market economy has been, and continues to be the successful way out from the crisis situation left behind by socialism.

We will be able to find solutions to the gravest of problems experienced by Hungarian society—poverty, unemployment, existential insecurity, ignorance, an undeveloped infrastructure—if the Hungarian economy stands on firm foundations. On the other hand, the Hungarian economy is capable of accomplishing an uplift only if it becomes attractive to investors.

We need an economic policy that stimulates *the investment of both foreign and domestic capital in workplaces.*

Hungarian economic policy must strengthen the incentive to invest, must counter the high rate of unemployment and the large budget deficit, and, at the same time must retain its anti-inflationary character and sensitivity to social welfare considerations.

Changes to be made in economic policy demand difficult decisions: *the state's social welfare expenditures must be streamlined with the economic capacity.*

Capital accumulation required for economic development demands that today's generation cut back on consumption. Society is able to accept this sacrifice only if it can be certain that the sacrifice will bring future rewards, if it recognizes a hope for *individual prosperity*, and if an individual who turns out to be the loser in the competition can be certain that he is going to have another chance to start anew, and to once again become an integral part of society. If he receives "another chance" to succeed, or, if at least his fundamental existential conditions do not become threatened. Only under such circumstances can we expect people to *assume the risk of becoming active parts of the competition, of becoming actively involved in enterprising.* Only these kinds of enterprises can provide a further boost to the economy.

We must put an end to *tax fraud.* Beyond solidarity, the social market economy demands a higher degree of discipline. These two endeavors must enable the *reduction of the "tax burden"* in the broader sense of that term (amortization, social security, taxes).

The economic policy to be spelled out as part of the new program must present jointly the openness we have seen thus far as well as the active role played by the state—with respect to the infrastructure, education, environmental protection, state procurement and industrial policy, while the economic policy must rely heavily on interest groups and chambers.

None of the "pure," "textbook" economic policy models fit the Hungarian reality. But Hungary is not going to be alone with its *strongly mixed economic policy.* Both the American and the German economic policies consist of such "eclectic" elements, because only this way are they able to stay alive under the new global economic conditions.

The MDF affirms that it wants to have a social market economy, which enables and accomplishes the economic uplift and produces a social equilibrium. The social equilibrium is based not on a large redistribution of wealth, but on the *efficient utilization of increasing performance.* The successful implementation of the economic policy demands *financial discipline and stability,* because these are the foundations for confidence in the economy.

The realization of this program would place the Hungarian economy on a lasting, balanced growth course.

The means and methods used cannot remain unchanged, but every step must serve the purpose of enabling continuous economic growth. We must declare that an economic policy aiming to achieve economic growth is inconsistent with either artificial income production or the conservation of the old structures.

As part of preparing the program we must observe the cardinal rule of also having to describe the technique of program implementation, in addition to setting goals.

Specific Areas of the Program

Solidarity And National Unity. We must develop a national solidarity program to serve the interests of regions that fall behind, of backward areas and of groups that fell to the peripheries of society. We must have a situation in which every region and every citizen has a chance to be part of the economy, and in which strata and individuals who did not prevail in the competition can live under conditions meet for human beings.

This program chapter should detail our general goals in the following areas:

- human resource development;
- problems experience by youth;
- environmental protection;
- development of the border zones;
- infrastructure;
- creating homes, housing program.

Defining the State's Role in the Economy. We must change the system of social welfare provisions, welfare expenditures must be adjusted so as to be consistent with the economic capacity.

A clear, detailed program must be proclaimed regarding changes in the *role to be played by the state household.* Every authority that is not justifiably a part of the state bureaucracy *must be transferred to civilian organizations within society in an organized, and legally sanctioned form.*

At the same time, *the state's role as a provider of information must be strengthened.*

The *state administrative reform* begun in 1992 must be continued, and must be completed in the 1994-98 parliamentary cycle.

The Hungarian People And European Integration. In a manner similar to other European nations, we, too, must establish *institutional safeguards* to preserve and develop our national identity and values while taking part in European integration.

Hungary's future can only be perceived in the framework of European integration, but we can join the EC only slowly, taking one step at a time. In its present condition

our society and economy would not be able to cope with the pressures of this well-organized, fundamentally competition-based market.

In order to have no qualms about becoming a full member of the EC at about the year 2000, *we must extremely quickly assign owners to property, capable of operating property.* At the same time, due to the shortage of time, we must provide help through education and advice in bringing about the indispensable, *needed change in consciousness.*

We must explain to every member of society that every piece of Hungarian agricultural and industrial real property, and means of production will be appraised at world market prices by the millennium. *Based on this, we must convey the sense that citizens acquire real value as a result of privatization, and further, that contrary to common belief, the present transformation does not discontinue, but creates new opportunities.* To accomplish this, the 1996 World Exposition and the 1,100th anniversary of Hungarian statehood offer unique opportunities.

We must also prepare a program for the *cultural and economic cooperation of Hungarians dispersed throughout the world.*

Due to the geographic dispersion of the nation we must conduct a broad and effective *information program* abroad, to tell the world *who we are and what we want to accomplish.*

Continuing Ownership Reform. We must continue with the transformation and privatization of state (local government) property begun in the 1990-94 period.

From the standpoint of privatization, the appropriate ratio of foreign and domestic investors in each branch of the economy, i.e., *the competitive situation of the production structure and the acquisition of property by Hungarians should be a primary consideration.* Hungary's ownership structure should evolve by the end of the millennium, so that the structure facilitates our joining the EC.

During this entire period the state should consistently and firmly enforce its *role as the owner* regarding assets remaining under temporary or long term state ownership.

Modernization of the Credit and Banking Systems. We must develop the *Hungarian capital market*, and we must achieve a situation in which a significant part of *domestic savings is invested.*

Examining the Image of Society and the Formulation of Views. Recording and describing the fundamental changes and processes requires *increased support for social science research, and the establishment of new research bases.*

We must see to it that the populace receives *continuous, comprehensive, and objective information*, with particular attention to citizen rights, opportunities, and duties under changing circumstances.

Danger Zones

In developing the program we must pay attention to given features of the *external economy and foreign policy.* An unfavorable turn of events in Europe or a break in global politics would have a severe impact on our opportunities. For this reason we must use all our strength to help *stabilize our milieu.*

At the same time, we must consider the following threats inside of Hungary:

- economic demagoguery* opposed to reform measures, which hinders specific measures (e.g. the transformation of the state household, privatization), and thus deteriorates our long-term opportunities;
- political demagoguery* which depicts an unrealistic system as realistic, or propagates extremist views;
- social demagoguery* which attempts to exploit social problems magnified on the basis of real or malintended political goals by making unrealistic promises;
- politicizing every issue*, as a result of which society organizes not on the basis of its civil interests, but pursuant to party schemes, and does not permit the functioning of social partnership; when processes meant to resolve issues of a nonpolitical nature become political, as a result of which public confidence in the democratic institutional system as a whole is shaken.

Positive Consequences

The proclamation, authentic presentation, and a firm start in the implementation of things to be done will exert a stabilizing effect. The infrastructural and solidarity programs will, temporarily, deteriorate the equilibrium indexes, nevertheless their effects will generate growth. The spasms of the credit sphere will relax, the inclination to invest will increase, and gains made by the private economy will accelerate. Exports will also be accompanied by increased domestic demand, and *progress will be made on the growth course, unemployment will decline, and inflation will become manageable.* Confidence will strengthen if the citizens of the country recognize this, and this alone will be a growth factor. Hungary will become increasingly attractive in the eyes of both the Hungarian minority abroad, and Hungary's milieu. Political stability will be sustained, the gains made by the *social market economy* will become fully irreversible, *parliamentary democracy and constitutional statehood* will become immune to attacks.

The MDF is in a position in which it is capable to act, and to define the new responses to the new challenges.

Once again, the MDF has an opportunity and duty to take the next step. The MDF must provide an example for the order of discipline and the humility of service, because it is held responsible by Hungarian history.

The government led by the MDF has achieved its proclaimed goals between 1990 and 1994: It brought about an economic turnaround, it introduced freedom and a European character. This is in the nation's interest, therefore the government is the people's government. The MDF has proved its competence, courage and ability to act not with slogans, but with deeds. The process of transformation would come to a halt if the MDF were to suffer defeat in the elections, and the country would be placed in an uncertain situation. The new European competitive situation does not tolerate another apprentice period: Every minute is expensive in Hungary!

Two Paths Offer Themselves to the MDF:

- it can either continue more firmly with the predictable, moderate policy of governance pursued thus far;
- or it can pursue the unpredictable policies of radical, risky and ad hoc solutions.

This is why we call upon all our compatriots:

Based on the lessons learned from our difficult history, reject dissension, reject groundless turbulence, and reject endeavors to diminish the worth of national and moral values.

"THE HOMELAND, ABOVE ALL!"

*** Slovak Intellectuals View Demise of Federation**

93CH0307A Bratislava KULTURNY ZIVOT in Slovak
6, 13 Jan 93

[Report of a two-part symposium arranged by the editors of KULTURNY ZIVOT: "What Will We Lose and What Will We Find in Slovakia Beyond the Boundary of 1 January 1993?"]

[6 Jan p 3]

[Text] And one more question: What is your greatest cultural experience of 1992?

Peter Sykora: 1. I do not quite know what we will discover after 1 January 1993—perhaps just surprises, but I know very precisely what we are losing in Slovakia. We are losing our innocence.

Ivan Kamenec: 1. I am a historian and not a prognosticator, so my answer is determined by my professional orientation, and I am also deeply convinced that history is not a teacher for life. Despite this, it provides certain analogies and puts questions before society and the citizens. It is not always simple or even pleasant to look for answers in it.

In my opinion, after 1 January 1993, we will, on the one hand, lose a certain security in belonging to a larger state entity, which, despite all of its imperfections, for seven decades created the conditions for the development of Slovak society in all of its aspects, even though some of our writers and politicians today vehemently doubt and deny this. On the other hand, after 1 January 1993, we will lose the possibility of shifting the responsibility for our own mistakes and failures onto the other (and stronger) partner in the state, although I fear that perhaps our prepared propaganda will explain any eventual difficulties by the previous 74-year membership of Slovakia in the Czecho-Slovak state. This approach is regularly used in modern Slovak history, and failures, difficulties, and complications are placed on the account of the previous regime. Similar explanations are good for the first few months, or even years, but then it always leads to an unpleasant sobering up or a search for a "domestic enemy." Symptoms of a similar approach are also currently perceptible, but one must hope that, after 1 January, they will not prevail.

I do not think that after 1 January we can expect any great surprises, either pleasant or unpleasant, as long as we do not enter the new year with any real illusions or catastrophic ideas. What awaits us is work and the recognition that the basic changes in the state legal status does not automatically mean basic changes in people's entire lives or way of thinking and do not mean a "new age" in the history of the nation and the society. Beyond the boundary of 1 January 1993, we should find the knowledge (after our previous bitter experiences) that our history does not start anew from the date of any political or state legal transformation.

Martin Golema: 1. The only truth is in the agreement of intelligent people in free discussion, and it is nothing more and nothing less, as the Anglo-Saxon philosophers assert, so it is thus not the conformity of our ideas with reality, while KULTURNY ZIVOT is also creating certain agreed-upon ideas about the facts. The future state will not be a league for the protection of Abels, the smoke from their sacrifices is rising, and the hatred of the Cains is growing; this was the case and still is. But even a democracy makes it possible to crush Abel's skull. It was naive of us to expect anything other than what we have here. It is naive to help ourselves to name what awaits us by using the old macroconcepts, such as dictatorship. Even if the right-wing should be victorious, we had hardly been waiting for Godot, even if it had not known how to reach agreement even on its own survival. And what about the new year? For some, an orgy of creativity, possibly also with tragic backdrops, and for some Cain's wanderings in the darkness of their own powerlessness. Nothing more and nothing less, no justifying macroconcepts.

For me, until recently I felt very comfortable in the perfectly anatomically formed armor of the ideas of KULTURNY ZIVOT (even today I do not know how to climb out of it) because the other suits of armor were considered roundish forms of bureaucratic backsides, chairperson and deficit types, moral bedbugs and plundered brains—until recently, when I discovered a person who grew up outside that armor in a plugged-in provincial town who is restoring the authentic human form from beneath the thin deposit of the various agreements, which was laid down on the adolescents' souls by the parents and schools. I do not know from what agreement he is starting off and whether he even bothered to reach an agreement with anyone, a naturally germinated, atomistic, and fossilized missionary living completely outside the paradigm of our despair, from an unknown intellectual UFO which has flown in and growing from unknown reservoirs of courage somewhere deep within himself. All at once I have a desire to get rid of the armor of our agreements, the armor in which I am beginning to discover defeatism and despair.... No elections defeat him. He has chosen another sphere of activity that does not attract Cains so much, while, at the same time, occupying everywhere that they are not yet and working for a universe realistically containing the impossibility of a victory in the near future (we are filtered out by our belief in Victory in the Near Future), and flapping the butterfly wings of his actions reckons on an incubation period of millennia. It is not just the opposition of Cain that aids the Cains in their self-actualization, but something the Cains cannot betray, something that fills much greater space and flows through the crevices of bureaucratic debilities and with a brief smile disrupts the structure of evil.

2. Konrad Lorenz's *So-Called Evil*, the best book on the worst that can come to us in the new year.

Ivan Laucik: 1. We were friends and not just because we lived in the same state. But, even so, we are indeed losing

the nice opportunity to work toward even greater sensitivity in living together in one space. What we have pursued in that sphere I believe we will also have on 1 January 1993, and that is, undoubtedly, one of the few of our real riches.

It seemed to me that, if the Czechs had a stronger tradition of education and respect for wisdom, this was some kind of opportunity for the Slovak intellectuals to find resistance to that tradition; if, among our countrymen, rigidity, self-satisfaction, and a hypnotic sleep prevailed from time to time, the Slovak intelligentsia could play the "Czech card": Look, after all, we are in one state!

Beyond the boundary of 1 January 1993, we will find a mixed bag in Slovakia—the civic principle as well as the Christian, as well as an explosive mixture of class-consciousness and backwardness, as well as slightly disguised Marxist-Leninist lust for power. Everything will depend on the question of what we base our self-awareness on. From our experience so far, we can deduce that only with difficulty can we withstand its traditional source of physical strength and the quantitative factor. But a "mutational leap" can also play its role; what if realistic values became the source of our self-awareness and we suddenly ceased to believe in miracles?

I thus already know that, on 1 January 1993, I will have the feeling that I have been reborn (I have been afraid of just this) and that the same thing awaits me as with the first time—only I guess "with more understanding." Would that there were as much of that as possible!

2. The Slovak National Gallery in Bratislava informs me of private viewings, discussions, and lectures and invites me to them from Liptovský Mikuláš, even though it well knows that I cannot decide from day to day and go to them, as much as I might want to. And this deliberately pointless gesture is for me the greatest cultural experience, and it moves me. Right after that is the gesture by Dez Ursini who gave me his compact disc, even though he knows that I do not own a player and that there is none far and wide around here. This capability of pure gifts is a culture of culture, and just now it is very rare and is a suitable inclusion in my greatest cultural experiences.

Milan Zemko: 1. When the treaties agreed upon by the Czech and the Slovak Governments actually go into effect, the changes of the first of January do not immediately have to appear so great to us—primarily in our everyday lives and at least as long as we have a common currency. Our own currency will be a clear sign and the main perceptible fact of our new (state) relations.

What will the first of January take away from us sooner or later? Obviously, one way or another, the feeling of security that belonging to a larger state unit or units has provided little Slovakia and the Slovaks since time out of mind, of which they have also been part since time out of mind. This security was, as a rule, in reverse proportion to the feeling of responsibility for ourselves and the

world around us, which was true also because of the fact that the most important decisions about Slovakia were made outside Slovakia or above it. The first of January should thus not only deprive us of a part of certain traditional securities, but also, simultaneously with the real sovereignty, bring a more realistic responsibility for our country. And it will bring us this; we will have so much responsibility that sometimes the steam will come out of our heads from it, and sometimes (and possibly very soon) it will seem to us that this is all beyond our strength because what do we little Slovaks have to do with such a great problem? We will ask with a wail where in the world we were supposed to practice taking on sovereignty and responsibility, where we were supposed to learn to live in this position and, especially, in the movement (because it is primarily a matter of this movement or mobility) of an independent nation and state? But if we do not succumb to our anxiety over the loss of perpetual securities, if in difficult moments—and these will not be rare occurrences—we prove able to help ourselves, then, in the spirit of the age-old Christian proverb, the Lord God will perhaps help us, or maybe make things somewhat better for us, but first we have to take care of ourselves! And, particularly, we should as soon as possible get rid of one of our most significant unpleasant vices, that of grumbling, cursing, and placing the blame on others instead of starting off with our own sins and vices. In this first of January losing and gaining, we should thus properly look around ourselves, but not so that we can again hang ourselves around someone's neck or curl up in some warm, but somewhat smelly, nook, but so that we can continuously and rapidly orient ourselves among the threats that we will face directly and the chances that will come up for us.

And one other thing: We do not want to comfort those in a sentimental mood, but I think that the first of January, in the final analysis, does not have to deprive us of our traditional relationships that connect the countryside on both banks of the Morava River. Take a look at how it works between the independent Austrians and Germans, even though the Germans not so long ago were actually occupying Austria.... Should we and the Czechs perhaps be worse to each other?

Martin Butora: 1. What will we lose? Ourselves, our identity up until now, and all this whether we want it or not and whether it pleases us or not. What will we find? Again, primarily ourselves—that is, our new destination. We know something about the former, but the latter is more a challenge than a fact.

We will lose part of our homeland, an irreplaceable layer of our existence. This was a space for us, we inhabitants of Slovakia, that was physically relatively large, economically important, spiritually significant, politically forward-looking, internationally recognized, and, obviously, one that satisfied feelings. It was the space closest to us in terms of civilization and will continue to be that for years to come, without regard to the future pacts we make with other neighbors; for many of us. Prague will probably always be that magical, and yet in some way

familiar, well-known town that we also consider as ours. For decades, the Czech language was the language of our popular heroes and the ideas we respected; the Moravian region, where they understand us and where they like us; the Skoda auto as our "Volkswagen."

We will lose time—time needed to build up the new state, to work it into the international society and the appropriate address books, accounts, projects, investment prospectuses, diplomatic protocols, communications channels, networks, telephone books, weather reports, and travel timetables. For us to get into them, we need people, people who are trusted abroad, who do not have to employ judges of rumors instead of commentators, who know some language other than that of boxing. It is not just a matter of people, but also of a basic feeling of comfort that attracts capital, partners, and interests; of the beauty of the city, of kindness in contacts with foreigners, of functioning services.

We will lose control. Whoever already has a monopoly on political power or whoever succeeds in getting a monopoly on economic power will, to a much greater degree than previously, be able to wheel and deal, to manage things on his own native soil, and will not have to sneak off for secret meetings somewhere up in the mountains. New arms merchants will appear, drug dealers will show up, the owners of guaranteed perfect washing machines to launder authentic dirty money. Before this, everything was under greater supervision.

We will lose our pace; the transformation of society has hardly begun, and all at once an additional package has been dropped on everything, a package that only a few months ago was addressed only by a couple of postmen in uniform.

We will lose the coordinated synchronization of social changes. The asynchronous nature of development was always a curse of this area; if some people were on the rise, others were sinking; the victory of one nation often meant a trauma for the other nation; the development of one state took place at the expense of the neighboring one. Whether we want it or not, we are threatened by the fact that, from the beginning of the symbolic boundary, a kind of new Iron Curtain will fall into place, dividing relative prosperity and peace from insecurity, poverty, and chaos.

Of course, we will, however, also lose our excuses. Certainly there will be people who will ascribe all of our difficulties to the Czechs, the Hungarians, the Jews, or the bicyclists, but even the communists did not get away with that forever, even though they had the mighty imperialist camp and the four seasons available to them.

But, who knows? Perhaps the Czechs are even worse off in this matter; they are losing the other part of the national anthem, which is kind of like the phantom of an amputated leg.

I still do not know what we will find, and perhaps this is where our best chance lies.

One thing is indisputable: We will find Slovakia, which today is much more mature than it was in 1918, when the first CSR [Czechoslovak Republic] came into being (certainly in part thanks to coexistence with the Czechs), and markedly more pluralistic than it was in 1939, when the Slovak state of that time came into being. For many people, there will appear room for applying themselves, where there had been none in the previous state unit. Our chance is in the fact that this room can with time be filled with quality people, for whom the national colors alone are not enough qualification.

Possibly a certain positive patriotism can be transplanted: care for every corner of the countryside, for prosperity, decency, and the good name of the home, company, community, town, region, country, nation, and state. Patriotism does not require an enemy; the neighboring community can be seen as a competitor in football and the neighboring nation as a partner for cooperation.

It is possible also that it turns out favorably with the new state coming into being without any particular enthusiasm and thus also without any great irrational emotions; there is certainly no threat of streams of tears of gratitude. That is, it will be possible to "return to reality" immediately after the celebratory bell-ringing dies away. And there will be a lot that can actually help the purposeful and unpathetic efforts.

It is also possible with time to evaluate the fact that the new state is starting off in more favorable conditions abroad; extremism is indeed more frequent today than immediately after the end of the cold war, but it is not strong enough to overthrow the basic democratic security of those who actually defeated communism. On the contrary, with its bad conscience from the former Yugoslavia, the international society is evidently each time more determined to engage itself against the Milosevic-type actions of every kind. It is only a matter of which global direction we decide and whether we are capable of giving up our delirium of neutrality.

And it is possible, even though it sounds more like an illusion today, that, with time, the positive dimension of being Central European will also come into effect, the capability of combining a civilized universalism with domestic culture and a tolerance of others without a loss of one's self.

All of this demands that we rethink ourselves anew. Apparently it is only another identity crisis like those that the inhabitants of this country, where one regime has often changed for another, have had to go through many times already. Actually, it is a more basic break, not least thanks to the fact that they will have more to say than in the past. In other words, they will also be more responsible for the regime under which they live.

One thing is, unfortunately, certain; we will feel the losses rapidly. As far as positive contributions are concerned, they will have to be sought more intensively and with

greater qualification, like the alleged petroleum deposit beneath the independent Slovakia.

Julius Satinsky: 1. We will lose nothing and find nothing beyond the boundary of 1 January 1993. We will remain just as we have been, with what we have. Beyond that boundary, our countrymen who organized the Slovak State II will also continue to live, and, thus, they will finally sleep peacefully. They have achieved a sovereign homeland for the countryman at home, in which the Slovaks are masters of themselves. To be accurate, they still must learn to be masters. Educated and industrious masters, who speak several languages and have several universities and factories and some ideas about how to really make a Switzerland out of this country (not to imagine that we are sitting on a pool of oil or that the Slovak millionaires from the United States and Canada or Australia will send us everything they have in the banks there. They have nothing there!). Nothing has changed and will not change for a long time yet. The communists will swap power with the priests. We, the Slovak intellectuals, will let Gotham crap on our heads and will cause, as traditionally, boundless mirth among the Gothamites. Because it is a democracy, they will agree with us to our self-regulation, or, to put it otherwise, they will lock up our night watchman with his halberd until we are black! Let no one reproach me for not giving a true picture of Slovakia in these foregoing lines. As is traditional, they would call forth boundless mirth from me.

2. Our faithful public at our performances.

[13 Jan p 5]

[Text] **Jan Suchan:** 1. Your question is a very complicated and difficult one. I am 41 years old. Up until now, my homeland and motherland, even if it does not please someone, has been and is Czechoslovakia. Whenever and wherever I saw the Czechoslovak flag raised or heard the anthem played to celebrate a success or victory by a Slovak or a Czech or anyone who lived in and grew up on the territory of Czechoslovakia, I gave thanks, and I felt that we are visible, that we are here, that often we are an example and a model of firm will, morals, and faith. I did not have a feeling of inferiority. Just the opposite. With the success of other people from whatever region, my Slovak soul was also somehow revived with gratitude. And the successes of others stimulated me to contribute to the comment events.

And now some totally personal memories. While I was still a student of theology, a bunch of us went on a trip to Prague. When we wanted to get to Wenceslaus Square, a lady, a Czech of whom we had asked directions, first welcomed us nicely to Prague, took an interest in where we were from and what we did and studied, and then led us to the destination of our trip.

The numerous books I read during my theological studies, the theological and philosophical texts and the

commentaries on the Bible, were in Czech because, unfortunately, here in Slovakia nothing, or just a little, had been published.

When I was in the military service and Lieutenant Colonel Mjartan, who commanded our unit, gave me 10 days confinement and there was no one who could reduce the punishment, even though it was getting close to when I would be released to civilian life, a guy from Moravia came to me and said that, if they did not release me from the service on the prescribed day, they would not go home either....

Do you understand that I am guessing a little at what I am losing? It is hard for me to say for the others what they are losing and what we are losing. I am losing a lot. And even though I do not cry often, I am sad.

The die is cast, however. Lately I have thought more than once about emigration. Today, however, I am aware that the spirit cannot be chained or squeezed into zones or borders.

I believe that people whose hearts beat for mankind, humanity, good, love, desire for the truth will find them. They will be together. Not even the narrow-mindedness of the politicians and the nationalists of whatever party can take away the godliness from them. Because the divine is from another world and not from human understanding, which is often dark.

And what will I (or we) find? From day to day, more people who have a feeling of being threatened by politics, economics, religion, the meaning of life. I will then tell them the tale of the two frogs who fell in a pitcher of milk. One of them hopelessly gave up the fight for his life and drowned. The other, however, kept paddling in the milk until it turned to butter and then got out of the pitcher. The second frog was an artist at living.

"Thanks" to the people who only in the last year have discovered within themselves insufficient national pride, they will now have that, but it is a shame for all those whose spirit has for a long time now exceeded their own identity and has joined with all the peoples of Europe and, I suppose, the world, with that great human family, an opportunity for them to become artists at living.

Heaven help them.

2. Halfway through the year, I lived through quite a demanding period. I changed jobs. The way in which that change took place was not fair of the people for whom the culture of method of negotiation should be in the forefront. I drank all the more from that pure well of faith in man and in the good in people whom I met at that time in the hospital, at home in Surianky, in Bratislava, in Lamace, in Krakovany, in Trebatice, in Ostrova. Those people, simple and educated, friends from the hospital, radiated from within themselves the culture of the spirit, of human dignity, of belonging together. I want to thank them all, every one of them. In the faith that it is indeed here that the potential wealth,

even if not official and visible, is found of human understanding, wisdom, hearts, and hands. And this gives me faith and hope that our nation, despite all these afflictions and weaknesses, knows love.

I believe in God, who became man.

I do not write this to lament over myself but because it is a powerful, personal, and deep experience, and if I did not recall it and wrote of other cultural experiences, it would just be superficial.

Peter Zajac: 1. After 1 January 1993, we will cease to be a middle-sized Central European country and will become a small state. We will lose a substantial part of our borders with Western Europe, and our other borders will become that much more important. We will lose the Czech economic locomotive and a clear concept of economic transformations. We will lose internal contact with the Czech mass media and thus also with the duality of views of our problems, which formed an important background for comparison for us. We will lose part of the possible common future history, even though part of the common past history remains to us. We will lose the feeling that WE meant we Slovaks and Czechs; from now on, it will be WE Slovaks and THEY, the Czechs. Until now we were homeowners, but from now on we will be guests. We will not have a Zelezny or a Zmelik on "our" sports teams. We will go to Prague as if to the capital of a neighboring country. We will get to know each other in the hotels but not in the kitchens....

After 1 January, the theme will definitely change. It will not be a question of whether there will be an independent Slovak Republic, but what kind of one. Above all, we will find out relatively rapidly once we are really into it what was illusion and what was reality, what were the promises and what are the facts. Obviously, we will go back to the original post-November question of how to achieve economic prosperity for the citizen and the country. What are our priorities; mine is education because our entire future will look like how our younger generation looks. We will have to put the question to ourselves of whether we want to be a postcommunist country, with all of the old communist mannerisms, or a normal democracy. We will have to decide where we belong, either to the West, where our historical roots are, or to the East, from whence we are lured by the various sirens of the recent unfinished past. We will have to ask about our past because, without the criteria to judge the past, there are no criteria that it is possible to apply to the future. And mainly, despite the fact that many will also continue to look for someone on whom they can place the responsibility, the responsibility will be only one us.

Ondrej Meszaros: 1. I am not happy making predictions. A lot of experts have already been burned by their predictions. I would call to mind only one aspect of the question, the time conditions for "losses and discoveries." All of our plans, ideas, and expectations must, after all, squeeze into a narrow (impartial) corridor formed by the Scylla and Charybdis of human actions, between the

time needed and that available. Social entities that have to overcome the consequences of an unequal development of civilization are pitilessly placed at the mercy of a fate of a permanent shortage of time. We obviously must reconcile ourselves to the fact that, in the future, the amount of time required will grow, but the available time will be the same.

The time burden not only is a potent one but can also create a hierarchy and an order for our decisions and actions. But I am afraid that it can also form our values. Especially because of the fact that, when we refer to the unavoidable nature just mentioned, we can easily submit to it in a martyrlike way. But, in so doing, we would also be giving up the personal autonomy that has been so hard won (or found).

Apropos autonomy. I am of the opinion that the "losses and discoveries" in the predicted hardships will depend on the identity of each of us. There are great fears on the part of those individuals who did not create the time burden but were driven into it. There is even greater insecurity for those who are a minority within the minority. The intellectual of a minority people, standing at the boundary between two cultures, not only is more perceptive as regards the vibrations of historical time, but also substantially experiences them. Finally, I would say that he fits them into a theory of ontology. His feelers "between existences" also receive metaphysical "prods" that come from actual events and people, and therefore his position is absurd.

Chesterton once wrote that paradoxes are supposed to wake up our thinking. The problems arise only when we cease to perceive the paradoxes. For me, it is a challenge that I should understand the absurdity of my position as a plus because, without effort, I could reach a grateful state of reflection.

2. If it is true that in love the individual is betrothed with universal humanity and that culture is the externalization of the most humane essences, then one of the greatest cultural experiences for each individual must be love. And even though I did not have such an extreme experience at this vital level this year, in writing my book on the subject of the philosophy of love I achieved a reflected experience. Particularly at the time when I read Kundera's *Laughable Loves* again for inspiration, and then also *The Unbearable Lightness of Being*. But I had the feeling that Kundera's genial balancing act between kitsch and philosophy, through which he had become "postmodern" even in the 1960's, somehow lost its balance in the last of these works.

Martin Porubjak: 1. Beyond the boundary of 1 January 1993, we will find another boundary in Slovakia. This is not a discovery, for heaven's sake or an invention; borders are indeed a markedly idiotic invention.

2. The cultural protest of hundreds of thousands of German citizens against racism and intolerance in the streets of Berlin, Munich, Stuttgart...

Pavol Uhorskai, bishop general: 1. For a period of 74 years, we put great efforts and our blessing into creating values for the Slovak nation within the framework of the common state of Czechs and Slovaks. One must say that, if there had been no 1918, the Slovak nation would probably not exist today. The nation rose up for the Czecho-Slovak Republic in the Slovak national uprising, as well, for which we gained a lot of international recognition and important credit. Unfortunately, we were not always able to deal as equals within the joint republic, and the paternalism of the stronger partner also played an unhealthy role. Despite this, it is with pain that we accept the breakup of the Czech and Slovak Federal Republic [CSFR], our common motherland in which our nation has grown up, especially in the period between the two world wars, and, thus, despite the 40-year totalitarian regime, we can today join the ranks of the family of European nations.

I am aware that, after 1 January, we will have a lot of problems and, mainly, an enormous amount of work to do. Implementing the nation's rights of self-determination and achieving its full independence will provide our nation the opportunity not only to run our own independent state, but also to ensure its political, economic, cultural, and spiritual development, according to our own ideas and at the level of the times in which we are living. I hope that I am speaking for all Slovak clergy when I declare that we want to take an active and honorable part in the building of the Slovak Republic. At the same time, I firmly believe that, through the joint efforts of all of our believers and all citizens, and with the help of God, we will succeed in building our democratic motherland and a happy homeland for all of our fellow citizens, without being divided by religion, nationality, or political convictions. I am also convinced that, even in our independent state units, we will find a common language with the Czechs and the Moravians and, likewise, the other neighboring states. We call for God's blessing on our joint efforts.

2. I visited Slovaks in Yugoslavia. They have been there for 250 years already and have maintained their language and their faith. I visited their art exhibitions and personally met with authors, painters, and sculptors. I saw their Slovak national and Protestant religious manifestations. This was my greatest cultural experience.

Alma Muenzova: 1. The first thing that struck me in looking at the date 1993 was the Orwellian association of 1984-48 and 1993-39. The aggregate loss is not a small one. We are losing various excesses—for example, the excess of trust in the possibility that an accidental constellation of power unconditionally must not be victorious. We will lose the excess of trust in the capability of understanding to win in a confrontation with irrationality through persuasion, despite the theoretical knowledge that more than 50 years of experience with totalitarianism strengthens resistance to it and to authoritarian mechanisms. Their service is more self-indulgent. We will lose the excess of illusion that experience should strengthen the mental immunity system's

capacity to protect the individual from individuals and the larger social entities from regression to mythology, from the fragmenting effects of intolerance, the feeling of patriotism of the sole truth, and the closing up into one's self and backwards. Or at least moderate these effects.

I have lost hope that politics can be the art of the possible; in its place, I have gained the experience that more than once it is a successful method for implementing the impossible and that politics is decided not by the majority but by the majors (of various ranks). I have lost faith in the desire to search for what actually unites people—for example, horrible hunger in the world, a dying planet from which we have no place to emigrate, and ozone and black holes that will swallow us up forever.

I am losing the feeling of a wider homeland and easier breathing, the feeling of cobelonging to a greater whole. In place of this, I have gained an intense awareness of constricting borders of the most various types, a conviction of growing productivity in the manufacture of Procrustean beds, and a feeling of amazement and anxiety at the rich variability of the pathetic limitations.

2. Beethoven's "Fifth Piano Concerto," as interpreted by Vladimir Ashkenazi, for the fact that, among other reasons, it indeed showed me what man can do, despite the fact that he is capable of everything.

Brano Liska: 1. We will lose the opportunity to fill out what we Slovaks as a nation and the members of other nationalities as citizens of Slovakia can do to gain respect from ourselves and the world. It was a chance to demonstrate that we, together with the inhabitants of Bohemia and Moravia, are capable of not only creating a new quality to our coexistence, but also of being an example for the others, especially where the innocent are paying for the inability to resolve problems. At no time in history did we have such an opportunity to show the way to the inhabitants of a large part of Europe and Asia.

We will find the obligation to tell the truth about what has happened and how it happened because that is the starting point for our direction in the future. We will find the opportunity to point out specific cases in Slovakia and in the Czech lands of what we have lost and that a joint state of a new quality is also a realistic national program because, on this territory and not only at this time, it can best guarantee peaceful work and a dignified life to the inhabitants of our country. We will find the duty of being free and of carrying out what we still owe ourselves and our future.

2. Two experiences that for me belong to the cultural sphere. The first is the Danube in the summer and the fall, the contrast in the countryside, where we showed it who is boss above Hrusov and that below it, of which we have been part since sometime long ago. The same feeling from the dried-out mouth of the Bodicke branches, where we at some time stood before the hedges sounding in the springtime and from the market stalls in the town of Mlynice Polany in the Tatras, which had

filled up that valley. Some moments and songs with people who know what they are losing in Gabčíkova on our last common weir on the Danube on the Sunday before it was dammed off.

The second experience, and not just from 1992, was participating in planting democracy on academic soil, helping to create the structures that form free people.

Ivan Miklos: 1. We will lose our chance to show (not so much the world, as ourselves) that a destructive type of nationalism is not affecting us, that we are capable of resolving the problems of coexistence with other nations within the framework of a common state, that we are more ready for the Western integrational process than for the Eastern disintegrational process. We will lose the chance to show that we are the exception from among the destabilized postcommunist world. As a certain U.S. newspaperman wrote with an element of disappointment in the Czechs and Slovaks, when it was clear that the CSFR would end, "You are no worse than the others, but I had believed that you are better."

We will lose the chance (or at least we will make it much more complicated) to maintain economic and political stability and thus also a relatively rapid achievement of a prospering economy, especially the possibility of more rapid progress in comparison with the other postcommunist countries.

Adam Michnik is right when he says that nationalism is the highest stage of communism. And it is also true that we were probably naive when we did not realize how deeply communism has gnawed into the soul of many people.

As I was convinced on my many trips abroad, we will also lose the credit of a recognized and popular country that the CSFR had in the advanced world.

We will gain not the opportunity but the necessity of looking out for ourselves. Even though it will be a hard test, it is probably unavoidable. It is difficult for us (or at least for many of us) to finally understand that the roots of our problems and our economic, social, and spiritual misery do not lie somewhere outside us, either in time or in space. That the causes and roots of today's situation are right in us, in our past and our present. However, not even this process will be easy or swift. Especially because, in a great number of cases, it would have to mean recognition of one's own failure and also because new replacement targets will, I fear, always be available.

2. I admit that I did not experience a lot of culture in 1992, certainly less than I would have liked, but the greatest experience for me as a whole was certainly the concert by Jose Carreras at The Pastures.

* Man in Street Seen as Perennial Loser

93CH0304A Bratislava SLOBODNY PIATOK in Slovak
31 Dec 92 p 2

[Commentary by Andrej Reiner: "What Was Given to Us and What Was Not"]

[Text] One thing is clear: The past year took Czechoslovakia away from us and gave us Slovakia. Of course, that was not done just during the last year of our common state. Such a change, which in general is quite natural, could be expected after the sudden explosion of democracy. If there is anything astonishing about it, it is the relatively mild public reaction to the revolutionary changes of our statehood.

The past year did not give us a referendum. I am quite convinced that it would not have changed the development in any way, yet it is characteristic that there was no referendum at all and that few people have missed it. Why, in fact, did it not take place? Well, on the whole, no one wanted it. The current situation suits the coalition politicians as well as many in the opposition just fine, and those who are not pleased with it console themselves with the awareness that they bear no responsibility for it. It may serve as an excellent springboard for any future "dauntless" criticism of either government. And our public? Our public is much too apathetic to put its foot down, and even less so to get its way. Our public is not interested even in its own opinion. Part of our public welcomes the changes, while the rest of our public has already accepted them with resignation. It was expected that only this rest of our public will make itself heard, but, obviously, it has no strength left. What could be the reason?

The preceding three years of our "regained" freedom and the democracy we had yearned for were enough to reinforce the convictions of the man in the street that the politicians, no matter how newfangled they might be, are no better than ordinary citizens. The man in the street has learned that, with or without revolution, the methods of operation remain the same; that our new representatives readily repeat the sins of the former officials—in other words, thefts continue, although it is no longer socialist property that is being stolen, now it is called bold entrepreneurship; that privileges still are granted, and, if only that were all: Masters are masters for a reason—to benefit more from our common property. All kinds of prizes are being awarded—academic degrees, titles, rewards, and so on—which considerably cheapens the value of the prizes and of democracy. The man in the street has found out that, although in November 1989 he went out into the streets to bring down the communist system, he has brought down something quite different. Now, to his horror, he realizes that, in fact, orthodox communism had never existed in our country but, in reality, was only thievery under the guise of communist ideology. The party's concern about its deserving members was actually just one of its

methods of creative entrepreneurship. The great darkness has passed, but more dark shadows are looming on the horizon. They are coming from the East and the West, and we find it difficult to abandon our idealization of the "free world" just as many pure deceived and perhaps also foolish souls were unable to realize for such a long time that eastward from us was a country whose yesterday was not our tomorrow, but whose tomorrow is the Middle Ages. Meanwhile, our man in the street came to the conclusion that neither the West nor the East, neither the right-wing nor the left-wing, nor even the middle-of-the road ideology will save him, and that the nationalists from abroad will not come to his rescue, either; that the entrepreneurs coming to our country are neither motivated by charitable intentions nor inspired by sentiments and determination to help our nation, but that essentially—with some exceptions—their reasons are more mundane. In fact, their reasons are mostly very

mundane; only their robes are usually tailor-made from noble ideas. However, with democracy, striptease also arrived in our country, and, so, our citizen is not afraid to face bare facts. Our citizen is already used to that, and it neither surprises nor shocks him; our citizen has abandoned his illusions, and no one can make him believe in the power of the peace camp or in the voucher-privatization program. Our citizen knows what he achieved in November 1989 and what he could not achieve. Laconically said, Bratislava does not believe in illusions and neither do Prague nor Trencin nor Michalovce nor Vienna. Paris and Tokyo believe in illusions. Our citizen is learning that he can believe in himself alone and in his abilities.

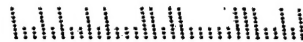
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